



INTERIM REPORT *2007/2008* 中期業績報告



ITC CORPORATION LIMITED
德祥企業集團有限公司

(Incorporated in Bermuda with limited liability)
(於百慕達註冊成立之有限公司)

Stock Code 股份代號 : 372.HK



ITC

目 CONTENTS 錄

CORPORATE INFORMATION 公司資料	1	28	CONDENSED CONSOLIDATED INCOME STATEMENT 簡明綜合收入報表
CORPORATE CHART 集團架構	3	29	CONDENSED CONSOLIDATED BALANCE SHEET 簡明綜合資產負債表
CHAIRMAN'S STATEMENT 主席報告書	5	30	CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 簡明綜合權益變動表
REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION 中期財務資料審閱報告書	27	31	CONDENSED CONSOLIDATED CASH FLOW STATEMENT 簡明綜合現金流量表
		32	NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Chan Kwok Keung, Charles (*Chairman*)
 Chau Mei Wah, Rosanna
(Deputy Chairman and Managing Director)
 Chan Kwok Chuen, Augustine
 Chan Fut Yan
 Cheung Hon Kit

Independent Non-Executive Directors

Chuck, Winston Calptor
 Lee Kit Wah
 Shek Lai Him, Abraham, SBS, JP

AUDIT COMMITTEE

Lee Kit Wah (*Chairman*)
 Chuck, Winston Calptor
 Shek Lai Him, Abraham, SBS, JP

REMUNERATION COMMITTEE

Chuck, Winston Calptor (*Chairman*)
 Chau Mei Wah, Rosanna
 Lee Kit Wah

SECRETARY

Law Hon Wa, William

AUDITORS

Deloitte Touche Tohmatsu

LEGAL ADVISORS

Conyers Dill & Pearman (*Bermuda*)
 Herbert Smith (*Hong Kong*)
 Lu, Lai & Li (*Hong Kong*)
 Richards Butler (*Hong Kong*)

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
 The Bank of East Asia, Limited
 BNP Paribas
 CITIC Ka Wah Bank Limited
 The Hongkong and Shanghai Banking Corporation Limited
 HSBC Bank Canada
 UBS AG
 Wing Hang Bank, Limited
 Wing Lung Bank Limited

公司資料

董事會

執行董事

陳國強 (*主席*)
 周美華
(副主席兼董事總經理)
 陳國銓
 陳佛恩
 張漢傑

獨立非執行董事

卓育賢
 李傑華
 石禮謙, SBS, JP

審核委員會

李傑華 (*主席*)
 卓育賢
 石禮謙, SBS, JP

薪酬委員會

卓育賢 (*主席*)
 周美華
 李傑華

秘書

羅漢華

核數師

德勤 • 關黃陳方會計師行

律師

Conyers Dill & Pearman (*百慕達*)
 許拔史密夫律師行 (*香港*)
 姚黎李律師行 (*香港*)
 齊伯禮律師行 (*香港*)

主要往來銀行

中國銀行 (香港) 有限公司
 東亞銀行有限公司
 法國巴黎銀行
 中信嘉華銀行有限公司
 香港上海滙豐銀行有限公司
 加拿大滙豐銀行
 瑞士銀行
 永亨銀行有限公司
 永隆銀行有限公司

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL PLACE OF BUSINESS

30/F, Bank of America Tower
12 Harcourt Road
Central
Hong Kong
Tel : (852) 2831 8118
Fax : (852) 2973 0939

**PRINCIPAL SHARE REGISTRAR AND
TRANSFER OFFICE**

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

**BRANCH SHARE REGISTRAR AND
TRANSFER OFFICE**

Tricor Secretaries Limited
26/F, Tesbury Centre
28 Queen's Road East
Wanchai
Hong Kong

WEBSITE

www.itc.com.hk

STOCK CODE

Hong Kong Stock Exchange

372

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

主要營業地點

香港
中環
夏慤道12號
美國銀行中心30樓
電話 : (852) 2831 8118
傳真 : (852) 2973 0939

股份過戶登記總處

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

股份過戶登記分處

卓佳秘書商務有限公司
香港
灣仔
皇后大道東28號
金鐘匯中心26樓

網址

www.itc.com.hk

股份代號

香港聯交所

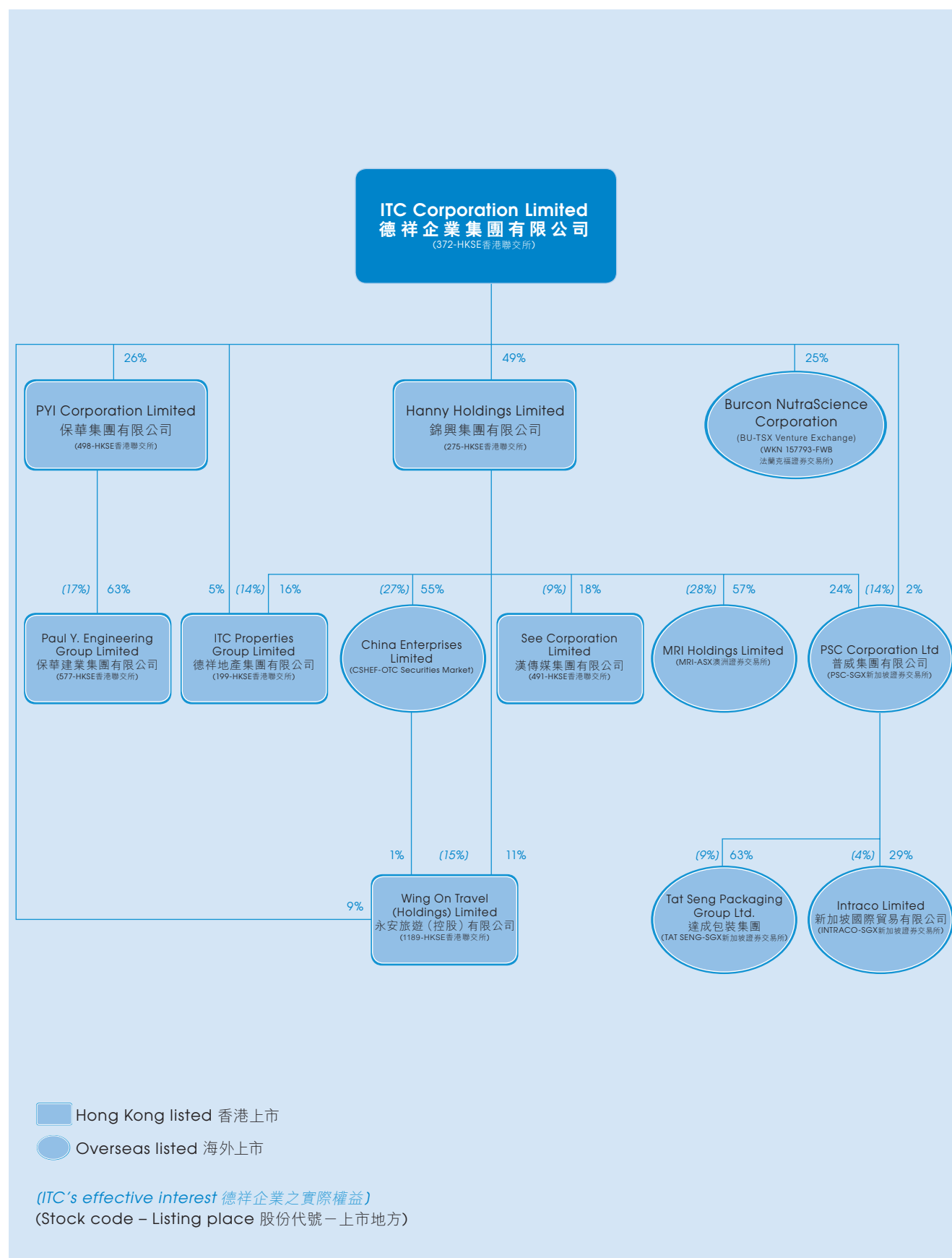
372

CORPORATE CHART

AT 21ST DECEMBER, 2007

集團架構

於二零零七年十二月二十一日

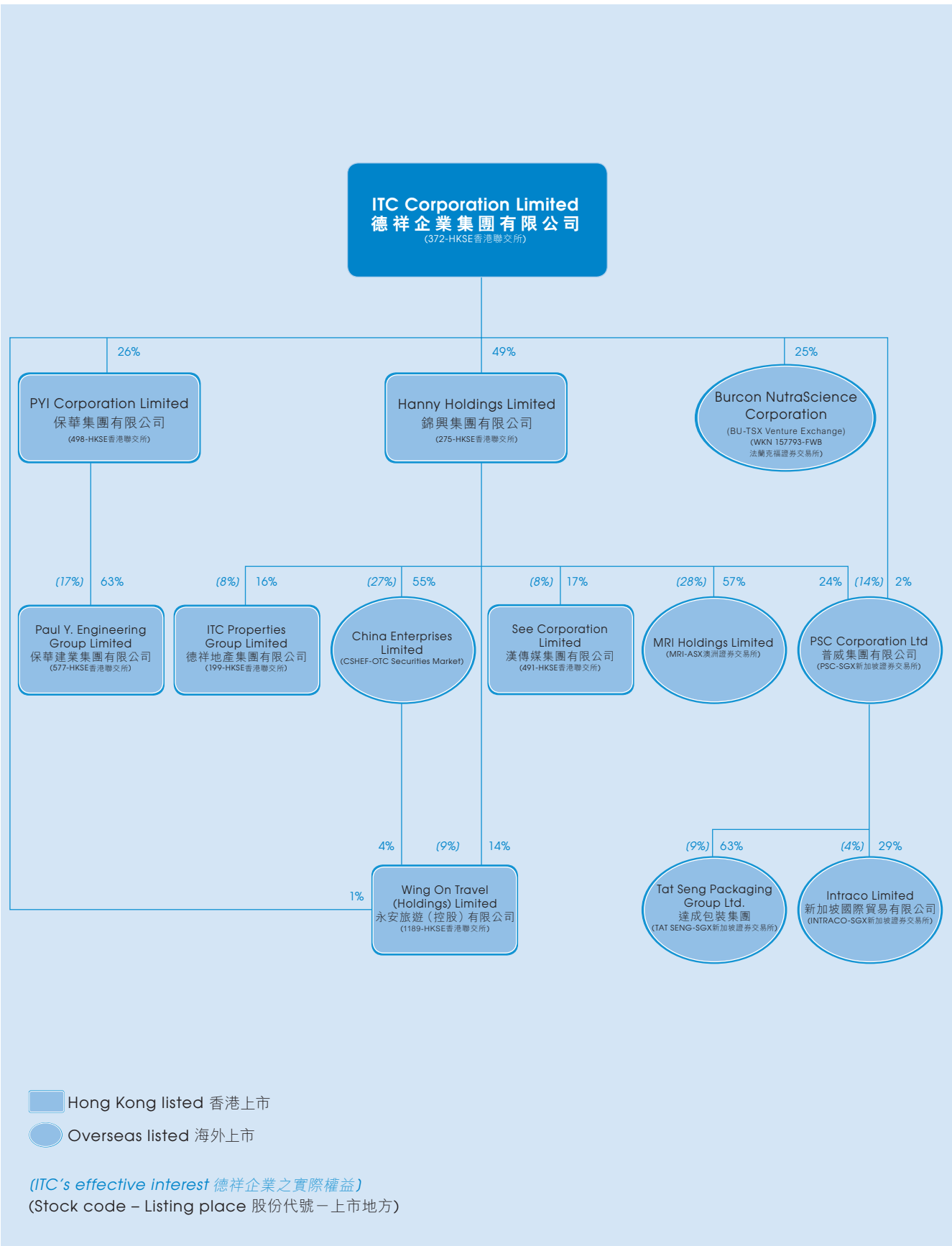


CORPORATE CHART

AT 30TH SEPTEMBER, 2007

集團架構

於二零零七年九月三十日



CHAIRMAN'S STATEMENT

I am pleased to present to shareholders the interim report and condensed consolidated financial statements of ITC Corporation Limited (the "Company") and its subsidiaries (the "Group") for the six months ended 30th September, 2007.

INTERIM DIVIDEND

The board of directors of the Company (the "Board") has resolved to pay an interim dividend of HK1.30 cents per ordinary share for the six months ended 30th September, 2007 to holders of ordinary shares whose names appear on the register of holders of ordinary shares of the Company as at the close of business on 30th January, 2008. The interim dividend is expected to be paid to holders of ordinary shares of the Company by post on or about 14th March, 2008. The Board has also proposed that the interim dividend should be satisfied in cash, with an option to elect scrip dividend of ordinary shares, in respect of part or all of such dividend. The market value of the ordinary shares to be issued under scrip dividend proposal will be fixed by reference to the average of the closing prices of the ordinary shares of the Company for the three consecutive trading days ending 30th January, 2008 less a discount of 5% of such average price or the par value of ordinary shares, whichever is the higher. The proposed scrip dividend is conditional upon The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange") granting the listing of, and permission to deal in, the new ordinary shares to be issued. A circular with full details of the scrip dividend proposal and a form of election will be sent to holders of ordinary shares of the Company.

CLOSE OF REGISTER OF MEMBERS

The register of holders of ordinary shares of the Company will be closed from 28th January, 2008 to 30th January, 2008, both days inclusive, during which period no transfer of ordinary shares shall be effected. In order to qualify for the interim dividend, all transfers of ordinary shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration by no later than 4:00 p.m. on 25th January, 2008.

主席報告書

本人欣然向股東提呈德祥企業集團有限公司（「本公司」）及其附屬公司（「本集團」）截至二零零七年九月三十日止六個月之中期報告及簡明綜合財務報表。

中期股息

本公司董事會（「董事會」）已決議向於二零零八年一月三十日營業時間結束時名列本公司普通股股東名冊之普通股股東派付截至二零零七年九月三十日止六個月之中期股息每股普通股1.30港仙。預期中期股息約於二零零八年三月十四日以郵寄方式派付予本公司之普通股股東。董事會並建議以現金方式及可選擇收取普通股代息股份以代替部份或全部有關股息派付中期股息。根據以股代息建議將予發行之普通股之市值，將參考本公司普通股於截至二零零八年一月三十日止連續三個交易日之平均收市價減該平均價5%之折讓或普通股面值（以較高者為準）計算。建議之代息股份須待香港聯合交易所有限公司（「香港聯交所」）批准將予發行之新普通股上市及買賣後方可作實。載有以股代息建議全部詳情之通函，將連同選擇表格一併寄予本公司各普通股股東。

暫停辦理股東登記手續

本公司將於二零零八年一月二十八日至二零零八年一月三十日（首尾兩日包括在內）期間暫停辦理本公司之普通股股東登記手續，期內將不會登記任何普通股之轉讓。如欲獲派中期股息，所有普通股股份過戶文件連同有關股票，最遲須於二零零八年一月二十五日下午四時正前交回本公司之香港股份過戶登記分處卓佳秘書商務有限公司以供登記，地址為香港灣仔皇后大道東28號金鐘匯中心26樓。

RESULTS AND FINANCIAL HIGHLIGHTS

業績及財務摘要

FINANCIAL HIGHLIGHTS		財務摘要		
		30.9.2007 二零零七年 九月三十日	30.9.2006 二零零六年 九月三十日	CHANGE 變動
• Profit attributable to equity holders (HK\$ million)	股權持有人應佔溢利 (百萬港元)	303	196	+55%
• Equity attributable to equity holders (HK\$ million)	股權持有人應佔權益 (百萬港元)	3,272	2,107	+55%
• Basic EPS (HK cents)	每股基本盈利 (港仙)	12.5	8.9	+40%
• Diluted EPS (HK cents)	每股攤薄盈利 (港仙)	9.9	7.5	+32%
• Interim dividend per share (HK cents)	每股中期股息 (港仙)	1.30	1.25	+4%

The Company is an investment holding company which directly and indirectly holds strategic investments in a number of listed companies. The principal activities of the Group comprise investment holding, the provision of finance, property investment and treasury investment.

For the six months ended 30th September, 2007, consolidated revenue decreased by approximately 7% to approximately HK\$334 million mainly due to the decrease in revenue from securities investment. During the period under review, the Group disposed of all its interest in Trasy Gold Ex Limited ("Trasy") and reported a gain of approximately HK\$163 million on the disposal. In addition, the contribution from Hanny Holdings Limited ("Hanny") has fully offset the effect of the non-cash loss of approximately HK\$240 million on disposal and dilution of interests in Hanny. As mentioned in the annual report of the Company for the year ended 31st March, 2007, the Group recognised a non-cash book gain arising from the discount on acquisition of controlling interest in Hanny which increased the carrying cost of Hanny to the Group and accordingly gave rise to such non-cash loss even though the disposal price was higher than the offer price in the general offer of shares of Hanny in November 2006. In spite of the above non-cash loss, the Group still reported a profit attributable to equity holders of approximately HK\$303 million, an increase of approximately 55% as compared with approximately HK\$196 million for the last corresponding period. Basic earnings per ordinary share was HK12.5 cents (2006: HK8.9 cents). The Board has resolved to pay an interim dividend of HK1.30 cents (2006: HK1.25 cents, as adjusted by the bonus issue on 5th November, 2007) per ordinary share, which represents a dividend payment of approximately HK\$35 million based on the total number of ordinary shares in issue as at the date of this report (2006: HK\$28 million).

Regarding the financial position of the Group compared to last year end date, total assets decreased by approximately 39% to approximately HK\$3,863 million as Hanny and Trasy ceased to be subsidiaries of the Group during the period under review. Equity attributable to equity holders increased to approximately HK\$3,272 million mainly due to the issue of 300,000,000 new ordinary shares in June 2007 and the profit for the period under review.

本公司為一間投資控股公司，並直接及間接在多間上市公司持有策略性投資。本集團之主要業務包括投資控股、提供融資、物業投資及庫務投資。

於截至二零零七年九月三十日止六個月，綜合收入減少約7%至約334,000,000港元，主要因為證券投資收入減少所致。於回顧期內，本集團出售於卓施金網有限公司（「卓施」）之全部權益，並錄得出售收益約163,000,000港元。此外，錦興集團有限公司（「錦興」）之貢獻全數抵銷因出售及攤薄錦興權益之非現金虧損約240,000,000港元之影響。正如本公司於截至二零零七年三月三十一日止年度之年度報告所述，本集團因以折讓收購錦興控股權益錄得非現金賬面收益而增加了錦興於本集團之賬面成本，並因此，即使出售價比二零零六年十一月全面收購錦興之收購價為高，仍產生非現金虧損。雖然出現上述非現金虧損，本集團仍錄得股權持有人應佔溢利約303,000,000港元，比去年同期約196,000,000港元增加約55%。每股普通股基本盈利為12.5港仙（二零零六年：8.9港仙）。董事會已決議派付中期股息每股普通股1.30港仙（二零零六年：1.25港仙，經二零零七年十一月五日之發行紅股而調整），派息總額（根據本報告日期之已發行普通股總數計算）約35,000,000港元（二零零六年：28,000,000港元）。

本集團之財政狀況與去年年結日比較，由於錦興及卓施於回顧期內不再為本集團之附屬公司，故總資產減少約39%至約3,863,000,000港元。股權持有人應佔權益增加至約3,272,000,000港元，主要因為於二零零七年六月發行300,000,000股新普通股，以及回顧期內之溢利所致。

REVIEW OF OPERATIONS

During the six months ended 30th September, 2007, the Group continued to hold significant interests, directly and indirectly, in a number of companies listed in Hong Kong, Canada, Singapore, the United States ("US"), Australia and Germany, as well as holding high-potential unlisted investments pursuant to its long-term strategy of exploring potential investments in an aggressive but cautious manner and maintaining a portfolio of diversified investments.

STRATEGIC INVESTMENTS

As at 30th September, 2007, the Group had the following significant strategic investments:

Listed strategic investments directly held

Hanny

Hanny is an investment holding company. The Hanny group is principally engaged in the trading of securities, property investment and trading, holding of vessels for sand mining and other strategic investments including investments in (i) a subsidiary, the shares of which are listed on the Australian Securities Exchange; (ii) a subsidiary, the shares of which are traded on the OTC Securities Market in the US; (iii) associated companies whose shares are listed on the Hong Kong Stock Exchange or the Singapore Exchange Limited; and (iv) long-term convertible notes issued by companies whose shares are listed on the Hong Kong Stock Exchange. For the six months ended 30th September, 2007, Hanny reported a consolidated profit attributable to equity holders of approximately HK\$581.1 million and its overall after tax contribution to the Group was a profit of approximately HK\$302 million.

PYI Corporation Limited ("PYI")

Based in Hong Kong, the PYI group focuses on the infrastructure investment in and the operation of bulk cargo ports and logistics facilities in the Yangtze River region in the Mainland China. It also engages in land and property development in association with port facilities. In addition, PYI provides comprehensive engineering and property-related services through Paul Y. Engineering Group Limited ("Paul Y. Engineering"). For the six months ended 30th September, 2007, PYI reported a consolidated profit attributable to equity holders of approximately HK\$312.2 million and its overall after tax contribution to the Group was a profit of approximately HK\$84.1 million.

營運回顧

截至二零零七年九月三十日止六個月，本集團持續直接及間接持有於香港、加拿大、新加坡、美國、澳洲及德國多間上市公司之重大權益，並持有具良好潛力的非上市投資項目，此符合其長遠策略，即積極而謹慎地開拓具潛力投資項目，及維持其多元化投資組合。

策略性投資

於二零零七年九月三十日，本集團之主要策略性投資項目如下：

直接持有上市策略性投資項目

錦興

錦興為一間投資控股公司。錦興集團主要從事證券買賣、物業投資及買賣、擁有採砂船隻以及其他策略性投資，包括於(i)一間股份於澳洲證券交易所上市之附屬公司；(ii)一間股份於美國OTC Securities Market買賣之附屬公司；(iii)多間股份於香港聯交所或新加坡證券交易所有限公司上市的聯營公司；以及(iv)多間股份於香港聯交所上市之公司發行之長期可換股票據之投資。截至二零零七年九月三十日止六個月，錦興錄得股權持有人應佔綜合溢利約581,100,000港元，其整體對本集團之除稅後貢獻則為溢利約302,000,000港元。

保華集團有限公司(「保華」)

保華集團以香港為基地，專注於中國內地長江流域一帶的大宗散貨港口基建投資及物流運作業務。保華集團亦從事與港口設施相關的土地及房地產開發業務，並通過保華建業集團有限公司(「保華建業」)，提供全面的工程及房地產相關服務。截至二零零七年九月三十日止六個月，保華錄得股權持有人應佔綜合溢利約312,200,000港元，其整體對本集團之除稅後貢獻則為溢利約84,100,000港元。

Burcon NutraScience Corporation (“Burcon”)

Burcon is a research and development company developing a portfolio of composition, application and process patents related to its plant protein extraction and purification technologies. Burcon’s patented process recovers valuable purified plant proteins from inexpensive oilseed meal. Burcon, in conjunction with Archer Daniels Midland, is currently focusing its efforts on developing the world’s first commercial Canola proteins, Puratein® and Supertein™ (the “Products”). Canola is the second-largest oilseed crop in the world after soybeans. Burcon’s immediate goal is to position the Products to compete with soy, dairy and egg proteins as an ingredient in prepared foods, nutritional supplements and personal care products. In June 2007, Burcon was recognised as a TSX Venture 50™ company. The TSX Venture 50™ ranks the top fifty emerging public companies listed on the TSX Venture Exchange in Canada. For the six months ended 30th September, 2007, Burcon’s loss attributable to the Group was approximately HK\$3.1 million.

*Hong Kong listed strategic investments indirectly held***Paul Y. Engineering**

Paul Y. Engineering is an international engineering services group, serving Hong Kong, the Mainland China and the international market. It has three core areas of business: management contracting, property development management and property investment. Paul Y. Engineering serves a wide spectrum of distinguished clients, including the government and major enterprises.

ITC Properties Group Limited (“ITC Properties”)

(formerly known as Macau Prime Properties Holdings Limited)

The ITC Properties group is principally engaged in property development and investment in Macau, the Mainland China and Hong Kong. The ITC Properties group is also engaged in golf resort and leisure operations, securities investment and loan financing services.

See Corporation Limited (“See Corp”)

The See Corp group is principally engaged in the entertainment and media business, which includes film and television programme production; music production; event production; and artiste and model management. It also owns significant interest in TVB Pay Vision Holdings Limited, which operates a pay-television business in Hong Kong.

Wing On Travel (Holdings) Limited (“Wing On Travel”)

The Wing On Travel group is principally engaged in the business of providing package tours, travel and other related services with branches in Hong Kong, Macau, Canada and the United Kingdom, and hotel operation business including a hotel chain with the “Rosedale” brand in Hong Kong and the Mainland China.

Burcon NutraScience Corporation (「Burcon」)

Burcon為一間研究開發公司，現正採用植物蛋白質提取及淨化技術發展一系列之合成、應用及加工專利權。Burcon之專利工序由廉宜之油籽粉生產價值高之淨化植物蛋白質。Burcon目前聯同Archer Daniels Midland 致力發展全球首種商用芥花籽蛋白質Puratein®及Supertein™ (該等「產品」)。芥花籽為緊隨大豆之後世界第二產量最高之油籽穀物。Burcon之首要目標是將該等產品定位，與大豆、奶類及蛋類蛋白質競爭，成為可用於預製食品、營養補充劑及個人護理產品。於二零零七年六月，Burcon獲認可為TSX Venture 50™的公司之一。TSX Venture 50™為加拿大TSX Venture Exchange選出於其上市的排名最高之五十間新興公眾公司。截至二零零七年九月三十日止六個月，本集團應佔Burcon之虧損約3,100,000港元。

*間接持有香港上市策略性投資項目***保華建業**

保華建業為一個國際化工程服務集團，業務遍及香港、中國內地及其他國際市場。其三項核心業務涵蓋承建管理、物業發展管理及物業投資。保華建業擁有龐大的客戶網絡，包括政府部門及大型私人企業。

德祥地產集團有限公司 (「德祥地產」)

(前稱澳門祥泰地產集團有限公司)

德祥地產集團主要從事於澳門、中國內地及香港之物業發展及投資。德祥地產集團亦從事經營高爾夫球度假村及消閒業務、證券投資及貸款融資服務。

漢傳媒集團有限公司 (「漢傳媒」)

漢傳媒集團主要從事娛樂和傳媒業務，包括電影及電視節目製作；音樂製作；表演項目製作；藝人及模特兒管理。漢傳媒亦持有於香港經營收費電視業務的無線收費電視控股有限公司之重大權益。

永安旅遊(控股)有限公司 (「永安旅遊」)

永安旅遊集團主要從事提供旅行團、旅遊及其他相關服務，分店遍及香港、澳門、加拿大及英國等地，以及經營酒店業務，包括在香港及中國內地以「珀麗」品牌經營之連鎖酒店。

*Overseas listed strategic investments indirectly held***PSC Corporation Ltd (“PSC”)**

PSC focuses on two business clusters which are “Consumer Essentials” and “Strategic Investments”. Its business activities involve grocery franchising and mini-mart chain, food manufacturing, paper products manufacturing and distribution, media contents production and distribution, healthcare consultancy and hospital management services, and strategic investments in high growth sectors including packaging through Tat Seng Packaging Group Ltd. (“Tat Seng Packaging”).

China Enterprises Limited (“China Enterprises”)

The China Enterprises group is engaged in property investment and development in the Mainland China, and has substantial interests in certain investment holding companies, the associates of which are principally engaged in the manufacturing and marketing of tires in the Mainland China, and providing package tours, travel and other related services, and hotel operation business.

MRI Holdings Limited (“MRI”)

MRI is an investment company, which has a major investment in one of the leading health and fitness chains in Australia. The MRI group continues to identify appropriate, strategic investment opportunities that maximise returns to shareholders, within the clear mandate determined by shareholders.

Intraco Limited (“Intraco”)

The Intraco group has developed its business portfolio under five core sectors, which are agri-business and foods, energy and environment, industrial materials, building materials and security solutions, and semiconductors.

Tat Seng Packaging

Tat Seng Packaging is one of Singapore’s leading manufacturers of corrugated paper packaging product with operations in Singapore, and Suzhou and Hefei of the Mainland China. Tat Seng Packaging designs, manufactures and sells corrugated paper packaging products for the packing of diverse range of products according to customers’ specifications. Its key products include corrugated paper boards, corrugated paper cartons, die-cut boxes, assembly cartons, heavy duty corrugated paper products and other packaging related products.

*間接持有海外上市策略性投資項目***普威集團有限公司 (「普威」)**

普威之業務集中於兩大範疇，分別為「民生必需品」及「策略性投資」。其業務包括零售特許經營及連鎖市場、食品製造、紙類產品之製造及行銷、媒體內容之生產及行銷、保健諮詢及醫院管理服務、以及策略性投資於高增長行業，包括透過達成包裝集團（「達成包裝」）從事包裝業務。

China Enterprises Limited (「China Enterprises」)

China Enterprises集團在中國內地從事物業投資及發展，以及於若干投資控股公司持有重大權益。其聯營公司的主要從事於中國內地之輪胎生產及銷售，並從事提供旅行團、旅遊及其他相關服務，以及經營酒店業務。

MRI Holdings Limited (「MRI」)

MRI為一間投資控股公司，其擁有澳洲其中一間領先之健身連鎖店之主要投資。MRI集團繼續物色合適之策略性投資機會，務求在股東所既定之清晰投資權限為股東提供最佳回報。

新加坡國際貿易有限公司 (「新加坡國際貿易」)

新加坡國際貿易集團集中發展之五大核心業務範疇，分別為農產業務及食品、能源及環境、工業材料、建築材料及保安配套，以及半導體。

達成包裝

達成包裝為新加坡一間頂級的瓦楞紙包裝產品製造商，並在新加坡及中國蘇州及合肥設有工廠。達成包裝設計、製造和銷售瓦楞紙包裝產品，為廣泛行業之產品提供包裝產品，並能按客戶的個別需求進行生產。其主要產品包括瓦楞紙板、瓦楞紙箱、模切紙箱、普通開槽箱、重型瓦楞紙製品及其他包裝相關產品。

The Group's shareholding interests in listed strategic investments are summarised below:

本集團於上市策略性投資項目之股權權益概述如下：

Listed strategic investments directly held

直接持有之上市策略性投資項目

Name of investee company	Place of listing	Stock code	Shareholding percentage	
			As at 30.9.2007 股權百分比 於二零零七年九月三十日	As at the date of this report 於本報告日期
所投資公司之名稱	上市地點	股份代號		
Hanny 錦興	Hong Kong Stock Exchange 香港聯交所	275	49.9%	49.9%
PYI 保華	Hong Kong Stock Exchange 香港聯交所	498	26.8%	26.8%
Burcon	TSX Venture Exchange and Frankfurt Stock Exchange TSX Venture Exchange及 法蘭克福證券交易所	BU WKN 157793	25.1%	25.0%

Hong Kong listed strategic investments indirectly held

間接持有之香港上市策略性投資項目

Name of investee company	Place of listing	Stock code	Effective interest	
			As at 30.9.2007 實際權益 於二零零七年九月三十日	As at the date of this report 於本報告日期
所投資公司之名稱	上市地點	股份代號		
Paul Y. Engineering 保華建業	Hong Kong Stock Exchange 香港聯交所	577	17.0% (Note a) (附註a)	16.9% (Note a) (附註a)
ITC Properties 德祥地產	Hong Kong Stock Exchange 香港聯交所	199	8.2% (Note b) (附註b)	14.2% (Note b) (附註b)
See Corp 漢傳媒	Hong Kong Stock Exchange 香港聯交所	491	8.9% (Note c) (附註c)	9.2% (Note c) (附註c)
Wing On Travel 永安旅遊	Hong Kong Stock Exchange 香港聯交所	1189	9.3% (Note d) (附註d)	15.2% (Note d) (附註d)

Overseas listed strategic investments indirectly held

間接持有之海外上市策略性投資項目

Name of investee company	Place of listing	Stock code	Effective interest	As at the date of this report
			As at 30.9.2007 實際權益 於二零零七年九月三十日	於本報告日期
PSC 普威	Singapore Exchange Limited 新加坡證券交易所有限公司	PSC	14.1% (Note e) (附註 e)	14.1% (Note e) (附註 e)
China Enterprises	OTC Securities Market, US 美國OTC Securities Market	CSHEF	27.6% (Note c) (附註 c)	27.6% (Note c) (附註 c)
MRI	Australian Securities Exchange 澳洲證券交易所	MRI	28.6% (Note c) (附註 c)	28.6% (Note c) (附註 c)
Tat Seng Packaging 達成包裝	Singapore Exchange Limited 新加坡證券交易所有限公司	TAT SENG	9.0% (Note f) (附註 f)	9.0% (Note f) (附註 f)
Intraco 新加坡國際貿易	Singapore Exchange Limited 新加坡證券交易所有限公司	INTRACO	4.2% (Note f) (附註 f)	4.2% (Note f) (附註 f)

Notes:

附註：

- (a) The Group's interest is held through PYI. (a) 本集團之權益透過保華持有。
- (b) Hanny holds a shareholding interest in ITC Properties. The Group's effective interest includes its approximately 5.9% direct shareholding interest in ITC Properties as at the date of this report. (b) 錦興持有德祥地產之股權權益。實際權益包括本集團於本報告日期在德祥地產約5.9%之直接股權權益。
- (c) The Group's interest is held through Hanny. (c) 本集團之權益透過錦興持有。
- (d) Hanny and China Enterprises each hold a shareholding interest in Wing On Travel. The Group's effective interest includes its approximately 0.7% and 9.1% direct shareholding interest in Wing On Travel, respectively, as at 30th September, 2007 and as at the date of this report. (d) 錦興及China Enterprises各自持有永安旅遊之股權權益。實際權益包括本集團於二零零七年九月三十日及本報告日期在永安旅遊分別持有約0.7%及9.1%之直接股權權益。
- (e) Hanny holds a shareholding interest in PSC. The Group's effective interest includes its approximately 2% direct shareholding interest in PSC as at 30th September, 2007 and as at the date of this report. (e) 錦興持有普威之股權權益。實際權益包括本集團於二零零七年九月三十日及本報告日期在普威持有約2%之直接股權權益。
- (f) The Group's interest is held through PSC. (f) 本集團之權益透過普威持有。

LIQUIDITY AND FINANCIAL RESOURCES

The Group adopts a prudent funding and treasury policy with regard to its overall business operations. Cash, bank balances and deposits as at 30th September, 2007 amounted to approximately HK\$191.4 million. As at 30th September, 2007, the Group had bank borrowings of approximately HK\$67.2 million, approximately HK\$39.5 million of which is repayable within one year or on demand. In addition, the redeemable convertible preference shares (Stock code: 206) (the "Preference Shares") with an aggregate redemption value of approximately HK\$281 million were redeemed on 5th November, 2007.

As at 30th September, 2007, all the Group's borrowings, except the Preference Shares, were at floating interest rates and the Group's current ratio was 2.

EXCHANGE RATE EXPOSURE

As at 30th September, 2007, approximately 2% of the cash, bank balances and deposits were in other currencies and only approximately 5% of the Group's total borrowings of approximately HK\$357.7 million were denominated in Canadian dollars. The Canadian dollars denominated borrowings are directly tied in with the Group's business in Canada.

GEARING RATIO

The Group's gearing ratio, calculated on the basis of the Group's net borrowings of approximately HK\$166.3 million over equity attributable to equity holders of approximately HK\$3,272.1 million, was approximately 5.1% as at 30th September, 2007, as compared with approximately 45.9% as at 31st March, 2007.

PLEDGE OF ASSETS

As at 30th September, 2007, certain of the Group's properties, certain shares of associates, margin account receivables, held for trading investments and derivative financial instruments with an aggregate carrying value of approximately HK\$269.9 million were pledged to banks and financial institutions to secure general facilities granted to the Group.

CONTINGENT LIABILITIES

As at 30th September, 2007, the Group had contingent liabilities in respect of guarantee given to banks on general banking facilities granted to an associate and financial support given to the associate of approximately HK\$54.8 million and approximately HK\$7.6 million, respectively.

流動資金及財務資源

本集團在整體業務運作方面採取審慎理財政策。於二零零七年九月三十日，本集團之現金、銀行結餘及存款約為191,400,000港元。於二零零七年九月三十日，本集團之銀行借款約為67,200,000港元，其中須於一年內償還或按通知償還之部份約為39,500,000港元。另外，贖回額合共約281,000,000港元之可贖回可換股優先股（股份代號：206）（「優先股」）已於二零零七年十一月五日到期贖回。

於二零零七年九月三十日，本集團之所有借款除了優先股外，均按浮動息率計息，而本集團之流動比率為2。

匯兌風險

於二零零七年九月三十日，約2%之現金、銀行結餘及存款以其他貨幣為單位，而在本集團約357,700,000港元之借款總額中，僅有約5%乃以加拿大元為單位。該等加拿大元借款與本集團之加拿大業務有直接關連。

資產負債比率

按本集團之借款淨額約166,300,000港元及股權持有人應佔權益約3,272,100,000港元計算，本集團於二零零七年九月三十日之資產負債比率約為5.1%，而於二零零七年三月三十一日之有關比率則約為45.9%。

資產抵押

於二零零七年九月三十日，本集團賬面總值約269,900,000港元之若干物業、若干聯營公司股份、應收孖展賬戶款項、持作買賣投資及衍生金融工具已抵押予銀行及財務機構，以為本集團取得一般信貸。

或然負債

於二零零七年九月三十日，本集團就授予一間聯營公司之一般銀行融資向銀行提供之擔保及授予該聯營公司之財政資助分別約有54,800,000港元及約7,600,000港元之或然負債。

EMPLOYEE AND REMUNERATION POLICY

As at 30th September, 2007, the Group employed a total of 71 employees. It is the Group's remuneration policy that the employees' remuneration is based on the employees' skills, knowledge and involvement in the Company's affairs and is determined with reference to the Company's performance, as well as remuneration benchmark in the industry and the prevailing market conditions. The ultimate objective of the remuneration policy is to ensure that the Group is able to attract, retain and motivate a high-calibre team which is essential to the success of the Company. The Group also offers other benefits to employees including discretionary bonus, training, provident funds and medical coverage. The share option scheme of the Company is established for, among others, the eligible employees but no share option was granted under this share option scheme during the period under review and there was no outstanding share option granted by the Company as at 30th September, 2007.

MAJOR EVENTS

The major events of the Group during the six months ended 30th September, 2007 are summarised below:

THE COMPANY

In June 2007, a placing and subscription agreement was entered into between the Company, Dr. Chan Kwok Keung, Charles ("Dr. Chan") and a placing agent, pursuant to which the placing agent agreed to place 300,000,000 existing ordinary shares of the Company at the price of HK\$0.74 per share on behalf of Dr. Chan and Dr. Chan agreed to subscribe for 300,000,000 new ordinary shares of the Company at the price of HK\$0.74 per share. The placing and subscription were both completed in June 2007.

In July 2007, the Company proposed a bonus issue of new ordinary shares on the basis of one new ordinary share for every five ordinary shares held by members whose names appear on the register of holders of ordinary shares of the Company as at the close of business on 15th October, 2007. In November 2007, 434,800,319 bonus shares were issued.

In September 2007, a placing agreement was entered into between the Company and a placing agent for the proposed issue and placing of 5% convertible notes due 2009 (the "Convertible Notes"). The placing agent agreed to place, on a best effort basis, up to a maximum aggregate principal amount of HK\$200,000,000 Convertible Notes at an initial conversion price of HK\$0.75 per ordinary share. In November 2007, the Convertible Notes were issued at the principal amount of HK\$200,000,000. Due to the bonus shares of the Company issued in November 2007, the conversion price was adjusted from HK\$0.75 to HK\$0.63 per ordinary share.

僱員及酬金政策

於二零零七年九月三十日，本集團聘用共71名僱員。本集團之酬金政策為：員工酬金乃取決於員工之技能、知識及對本集團事務之參與，並參考本公司之表現、業界之薪金準則及當時市況釐定。酬金政策最終旨在確保本集團能吸引、挽留及激勵對本集團之成功舉足輕重之勝任團隊。本集團亦提供其他福利予僱員，包括酌情花紅、培訓、公積金及醫療保障計劃。本公司之購股權計劃乃為（其中包括）合資格僱員設立，惟回顧期內此購股權計劃並無授出任何購股權，於二零零七年九月三十日亦無由本公司授出而尚未行使之購股權。

重大事項

本集團截至二零零七年九月三十日止六個月之重大事項概述如下：

本公司

於二零零七年六月，本公司、陳國強博士（「陳博士」）與配售代理訂立配售及認購協議，據此，配售代理同意按每股股份0.74港元之價格，代表陳博士配售300,000,000股本公司現有普通股；及陳博士同意按每股股份0.74港元之價格認購300,000,000股本公司新普通股。配售及認購事項已於二零零七年六月完成。

於二零零七年七月，本公司建議向本公司普通股股東以紅股方式發行新普通股，基準為於二零零七年十月十五日營業時間結束時名列本公司普通股股東名冊者每持有五股普通股可獲配一股新普通股。於二零零七年十一月，434,800,319股紅股已予發行。

於二零零七年九月，本公司與配售代理訂立配售協議，內容有關建議發行及配售二零零九年到期之5厘可換股票據（「可換股票據」）。配售代理同意按竭誠盡力基準配售本金總額最多為200,000,000港元而初步換股價為每股普通股0.75港元之可換股票據。於二零零七年十一月，本金額200,000,000港元之可換股票據已予發行。由於本公司在二零零七年十一月發行紅股，換股價由每股普通股0.75港元調整為0.63港元。

HANNY

In April 2007, a placing and subscription agreement was entered into between the Company, Hanny and a placing agent, pursuant to which the placing agent agreed to place 43,500,000 existing shares of Hanny at the price of HK\$3.40 per share on behalf of the Company and the Company agreed to subscribe for 43,500,000 new shares of Hanny at the price of HK\$3.40 per share. The placing and subscription were both completed in April 2007.

In April 2007, Hanny group conditionally agreed to subscribe for 125,000,000 new shares of Wonson International Holdings Limited (Stock code: 651) ("Wonson") at the price of HK\$0.16 per share and HK\$40,000,000 redeemable convertible notes of Wonson at face value. The subscriptions were completed in May 2007.

In May 2007, the Group disposed of 21,000,000 shares of Hanny at HK\$5 per share to independent third parties. Upon the conversion of convertible bonds of Hanny by independent third parties, Hanny ceased to be a subsidiary of the Company.

In August 2007, the Group acquired the 2% convertible bonds due 2011 of Hanny in the principal amount of HK\$88,217,520 at a consideration of HK\$69,691,840.

In August 2007, the Company and Hanny entered into a subscription agreement, pursuant to which the Company agreed to subscribe for up to 499,000,000 new shares of Hanny at the price of HK\$0.35 per share. As a result of bonus issue of Hanny, the subscription price was adjusted to HK\$0.29 per share in September 2007. The subscription was completed in October 2007.

The Group's shareholding interest in Hanny is approximately 49.9% as at the date of this report.

TRASYS

In May 2007, the Hong Kong Stock Exchange approved the resumption of trading in the shares of Trasy following the submission of a resumption proposal with updated information on Trasy in terms of its operation, financial position and performance, corporate governance, and the adequacy and effectiveness of its internal control system.

In June 2007, Trasy ceased to be a subsidiary of the Company upon the exercise of Trasy share options by an independent third party.

In June, August and September 2007, three respective sets of placing and subscription agreements were entered into between the Group, Trasy and placing agents, pursuant to which the placing agents agreed to place 550,000,000, 330,000,000 and 335,000,000 existing shares of Trasy at prices of HK\$0.20, HK\$0.19 and HK\$0.162 per share respectively on behalf of the Group and the Group agreed to subscribe for 550,000,000, 330,000,000 and 335,000,000 new shares of Trasy at the respective prices of HK\$0.20, HK\$0.19 and HK\$0.162 per share. The placings and subscriptions were completed in June and September 2007.

錦興

於二零零七年四月，本公司、錦興與配售代理訂立配售及認購協議，據此，配售代理同意按每股股份3.40港元之價格，代表本公司配售43,500,000股錦興現有股份；及本公司同意按每股股份3.40港元之價格認購43,500,000股錦興新股份。配售及認購事項已於二零零七年四月完成。

於二零零七年四月，錦興集團有條件同意按每股股份0.16港元價格認購和成國際集團有限公司（股份代號：651）（「和成」）125,000,000股新股份，並認購和成面值為40,000,000港元之可贖回可換股票據。認購事項已於二零零七年五月完成。

於二零零七年五月，本集團按每股股份5港元出售21,000,000股錦興股份予獨立第三方。於若干獨立第三方兌換錦興可換股債券後，錦興不再為本公司之附屬公司。

於二零零七年八月，本集團收購本金額88,217,520港元之錦興二零一一年到期之2厘可換股債券，作價69,691,840港元。

於二零零七年八月，本公司與錦興訂立認購協議，據此，本公司同意按每股股份0.35港元之價格，認購499,000,000股錦興新股份。由於錦興發行紅股，認購價已於二零零七年九月調整為每股股份0.29港元。認購事項已於二零零七年十月完成。

本集團在本報告日期於錦興之股權權益約為49.9%。

卓施

經遞交載有有關卓施營運、財務狀況及表現、企業管治，以及有關其內部監控系統之充足及有效性之最新資料之復牌建議書後，於二零零七年五月，香港聯交所批准卓施股份恢復買賣。

於二零零七年六月，於一名獨立第三方行使卓施購股權後，卓施不再為本公司之附屬公司。

於二零零七年六月、八月及九月，本集團、卓施與配售代理分別訂立三份配售及認購協議，據此，配售代理分別同意按每股股份0.20港元、0.19港元及0.162港元之價格，代表本集團配售550,000,000股、330,000,000股及335,000,000股卓施現有股份；及本集團同意分別按每股股份0.20港元、0.19港元及0.162港元之價格認購550,000,000股、330,000,000股及335,000,000股卓施新股份。配售及認購事項已於二零零七年六月及九月完成。

In September 2007, the Group disposed of 1,197,451,139 shares of Trasy on the Hong Kong Stock Exchange, through broker, at a price of HK\$0.1 per share. In addition, the Group donated 10,000,000 shares of Trasy to the Community Chest of Hong Kong. Immediately after the disposal and the donation, the Group ceased to hold any shares of Trasy.

MAJOR SUBSEQUENT EVENT

In November 2007, all outstanding Preference Shares were redeemed at HK\$1.06 per share. Listing of the Preference Shares was withdrawn after 4:00 p.m. on 5th November, 2007.

SECURITIES IN ISSUE

As a result of the issue of new ordinary shares under scrip dividend scheme, bonus issue and the conversion of Preference Shares during the period under review and the redemption of the Preference Shares in November 2007, the total number of issued ordinary shares of the Company of HK\$0.10 each is 2,658,718,149 as at the date of this report.

OUTLOOK

The Hong Kong economy has achieved above-trend growth over the past sixteen quarters. Despite the impact of macroeconomic measures in the Mainland China, and tighter credit conditions arising from the recent sub-prime mortgage problem, the Hong Kong economy is expected to grow at a steady pace on the back of the envisaged benefits from further integration and co-ordination with the Mainland China economy.

The Group's long-standing aim is to maintain a portfolio of diversified investments and increase their value. A prime example in this interim period is the successful resumption of trading in the shares of Trasy by which we captured a significant gain on realising the investment. Building on our strength, we will continue to pursue quality investments, in an aggressive but cautious manner, which can provide sustainable growth and returns, and to pursue high-potential investments that are undervalued by the market. The Group will continue to provide full support to the investee companies, and to enhance their value through participation in or close liaisons with their managements. The strategic framework that has led us to success provides us the basis to prosper on sustained growth, and to maximise shareholders return. Barring unforeseen circumstances, the Group is confident about the prospects of its investment and business operation.

於二零零七年九月，本集團按每股股份0.1港元之價格透過經紀在香港聯交所出售1,197,451,139股卓施股份。另外，本集團亦捐贈10,000,000股卓施股份予香港公益金。緊隨出售事項及捐贈事項後，本集團不再持有任何卓施股份。

結算日後重大事項

於二零零七年十一月，全部未行使優先股按每股股份1.06港元被贖回。優先股之上市地位已於二零零七年十一月五日下午四時正後撤銷。

已發行之證券

由於本公司在回顧期間內因以股代息方案、發行紅股及兌換優先股發行之新普通股，以及於二零零七年十一月贖回之優先股，本公司於本報告日期之已發行普通股總數為2,658,718,149股（每股面值0.10港元）。

展望

香港經濟增長在過去十六個季度內均高於之前的趨勢。雖然中國內地實行宏觀經濟措施帶來影響，以及最近次按問題導致信貸收緊，但在進一步與中國內地經濟融合及協調下，預期香港經濟可望平穩增長。

本集團之長遠目標在於維持投資組合多元化及增加其價值。於本中期期間卓施之股份成功恢復買賣，並在出售時獲益豐厚，就是最佳例子。憑藉集團之優勢，集團將繼續以積極而審慎之方式物色優質投資項目以帶來持續增長及回報，同時亦物色潛質優厚但被市場低估之投資項目。本集團將繼續為各投資項目公司提供全面支持，並透過參與其管理層或與彼等緊密聯繫以提升各投資項目公司之價值。一向以來為本集團帶來成功之策略性方針，奠定集團持續增長之基礎，為股東創造最大回報。撇除不可預見之情況，本集團對其投資項目及業務營運之前景充滿信心。

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30th September, 2007, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) as recorded in the register of the Company required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules") were as follows:

(a) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

Name of Director	Capacity	Long position/ Short position	No. of ordinary shares of the Company held	Approximate percentage of the issued ordinary share capital of the Company 佔本公司 已發行普通股 股本概約百分比
董事姓名	身份	好倉／淡倉	所持本公司 普通股數目	
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	40,888,000	1.88%
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	642,939,242	29.57%

Note: Galaxyway Investments Limited was a wholly-owned subsidiary of Chinaview International Limited which was, in turn, wholly owned by Dr. Chan Kwok Keung, Charles. Dr. Chan Kwok Keung, Charles was deemed to be interested in 642,939,242 ordinary shares of the Company held by Galaxyway Investments Limited.

附註：Galaxyway Investments Limited為Chinaview International Limited之全資附屬公司，而Chinaview International Limited則由陳國強博士全資擁有。陳國強博士被視為於Galaxyway Investments Limited所持之642,939,242股本公司普通股中擁有權益。

董事於股份、相關股份及債權證之權益及淡倉

於二零零七年九月三十日，本公司董事及主要行政人員於本公司或任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第十五部）之股份、相關股份及債權證中持有根據證券及期貨條例第352條須登記於本公司所保存登記冊內之權益及淡倉，或根據香港聯交所證券上市規則（「上市規則」）附錄十所載的上市發行人董事進行證券交易之標準守則（「標準守則」）而須另行知會本公司及香港聯交所之權益及淡倉如下：

(a) 於本公司之股份、相關股份及債權證之權益及淡倉

(b) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF HANNY

(b) 於錦興之股份、相關股份及債權證之權益及淡倉

Name of Director	Capacity	Long position/ Short position	No. of shares of Hanny held	No. of underlying shares (in respect of the unlisted equity derivatives) of Hanny held 所持錦興 之相關股份 (有關非上市 股本衍生 工具) 數目	Approximate percentage of the issued share capital of Hanny 佔錦興 已發行股本 概約百分比
董事姓名	身份	好倉／淡倉	所持錦興 股份數目		
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	23,941,600	-	0.59%
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	-	4,241,507 (Note) (附註)	0.10%
Chan Kwok Chuen, Augustine 陳國銓	Beneficial owner 實益擁有人	Long position 好倉	16,176,000	-	0.40%
Cheung Hon Kit 張漢傑	Beneficial owner 實益擁有人	Long position 好倉	79	-	0.00%
Shek Lai Him, Abraham 石禮謙	Beneficial owner 實益擁有人	Long position 好倉	422	-	0.00%

Note: Dr. Chan Kwok Keung, Charles owned the 2% convertible bonds of Hanny due 2011 with principal amount of HK\$2,841,810. Upon full conversion of such convertible bonds at a conversion price of HK\$0.67 per share of Hanny (subject to adjustments), 4,241,507 shares of Hanny will be issued to Dr. Chan Kwok Keung, Charles.

附註：陳國強博士擁有本金額2,841,810港元於二零一一年到期之錦興2厘可換股債券。待該等可換股債券以換股價每股錦興股份0.67港元（可予調整）悉數兌換後，陳國強博士將獲發行4,241,507股錦興股份。

(c) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF PYI

(c) 於保華之股份、相關股份及債權證之權益及淡倉

Name of Director	Capacity	Long position/ Short position	No. of shares of PYI held	No. of underlying shares (in respect of the share options (unlisted equity derivatives)) of PYI held 所持保華之相關 股份(有關購股權 (非上市股本 衍生工具))數目	Approximate percentage of the issued share capital of PYI 佔保華 已發行股本 概約百分比
董事姓名	身份	好倉／淡倉	所持保華 股份數目		
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	11,915,186	-	0.79%
Chau Mei Wah, Rosanna 周美華	Beneficial owner 實益擁有人	Long position 好倉	-	1,630,000 (Note) (附註)	0.10%
Chan Fut Yan 陳佛恩	Beneficial owner 實益擁有人	Long position 好倉	-	2,500,000 (Note) (附註)	0.16%
Cheung Hon Kit 張漢傑	Beneficial owner 實益擁有人	Long position 好倉	400	-	0.00%
Shek Lai Him, Abraham 石禮謙	Beneficial owner 實益擁有人	Long position 好倉	2,000	-	0.00%

Note: Ms. Chau Mei Wah, Rosanna and Mr. Chan Fut Yan held share options (which were granted on 28th December, 2004) with rights to subscribe for 1,630,000 shares of PYI and 2,500,000 shares of PYI respectively at HK\$1.5 per share of PYI (subject to adjustments) during the period from 28th December, 2004 to 26th August, 2012.

附註：周美華女士及陳佛恩先生持有購股權（於二零零四年十二月二十八日授出），其附有權利可於二零零四年十二月二十八日至二零一二年八月二十六日期間以每股保華股份1.5港元（可予調整）分別認購1,630,000股保華股份及2,500,000股保華股份。

(d) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF BURCON

(d) 於BURCON之股份、相關股份及債權證之權益及淡倉

Name of Director	Capacity	Long position/ Short position	No. of shares of Burcon held	No. of underlying shares (in respect of the share options (unlisted equity derivatives)) of Burcon held 所持Burcon之相關 股份(有關購股權 (非上市股本 衍生工具))數目	Approximate percentage of the issued share capital of Burcon 佔Burcon 已發行股本 概約百分比
董事姓名	身份	好倉／淡倉	所持Burcon 股份數目		
Chau Mei Wah, Rosanna 周美華	Beneficial owner 實益擁有人	Long position 好倉	323,347	-	1.28%
Chau Mei Wah, Rosanna 周美華	Beneficial owner 實益擁有人	Long position 好倉	-	81,000	0.32%

(e) INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF WING ON TRAVEL**(e) 於永安旅遊之股份、相關股份及債權證之權益及淡倉**

Name of Director	Capacity	Long position/ Short position	No. of shares of Wing On Travel held	No. of underlying shares (in respect of the share options (unlisted equity derivatives)) of Wing On Travel held	Approximate percentage of the issued share capital of Wing On Travel
董事姓名	身份	好倉／淡倉	所持 永安旅遊 股份數目	所持永安旅遊之 相關股份(有關 購股權(非上市股本 衍生工具))數目	佔永安旅遊 已發行股本 概約百分比
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	4,529,800	-	0.29%
Cheung Hon Kit 張漢傑	Beneficial owner 實益擁有人	Long position 好倉	-	4,000,000 (Note) (附註)	0.26%

Note: Mr. Cheung Hon Kit held share options (which were granted on 22nd June, 2006) with rights to subscribe for 4,000,000 shares of Wing On Travel at HK\$0.728 per share of Wing On Travel (subject to adjustments) during the period from 22nd June, 2006 to 21st June, 2008.

附註：張漢傑先生持有購股權（於二零零六年六月二十二日授出），其附有權利可於二零零六年六月二十二日至二零零八年六月二十一日期間以每股永安旅遊股份0.728港元（可予調整）認購4,000,000股永安旅遊股份。

Hanny, PYI, Burcon and Wing On Travel are associated corporations of the Company within the meaning of Part XV of the SFO.

根據證券及期貨條例第十五部之定義，錦興、保華、Burcon及永安旅遊乃本公司之相聯法團。

Save as disclosed above, as at 30th September, 2007, none of the directors and chief executives of the Company had any interests and short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) as recorded in the register of the Company required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

除上文所披露者外，於二零零七年九月三十日，本公司董事及主要行政人員概無於本公司或任何相聯法團（定義見證券及期貨條例第十五部）之股份、相關股份或債權證中擁有根據證券及期貨條例第352條須登記於本公司所保存登記冊內之任何權益或淡倉，或根據標準守則而須另行知會本公司及香港聯交所之權益或淡倉。

SHARE OPTION SCHEMES**購股權****(a) SHARE OPTION SCHEME OF THE COMPANY ADOPTED ON 16TH JANUARY, 2002****(a) 本公司於二零零二年一月十六日採納之購股權計劃**

As at 30th September, 2007, there were no outstanding share options granted by the Company pursuant to the share option scheme of the Company adopted on 16th January, 2002 (as amended on 19th September, 2007). No share options were granted, exercised, cancelled or lapsed during the period under review.

於二零零七年九月三十日，本公司並無根據本公司於二零零二年一月十六日採納之購股權計劃（於二零零七年九月十九日修訂）授出任何尚未行使之購股權。在回顧期間亦無任何購股權授出、行使、註銷或失效。

(b) SHARE OPTION SCHEME OF HANNY ADOPTED ON 17TH MARCH, 2003**(b) 錦興於二零零三年三月十七日採納之購股權計劃**

As at 18th May, 2007, the date on which Hanny ceased to be a subsidiary of the Company, there were no outstanding share options granted by Hanny pursuant to the share option scheme of Hanny adopted on 17th March, 2003. No share options were granted, exercised, cancelled or lapsed during the period from 1st April, 2007 to 18th May, 2007.

於二零零七年五月十八日（錦興不再為本公司附屬公司當日），錦興並無根據錦興於二零零三年三月十七日採納之購股權計劃授出任何尚未行使之購股權。於二零零七年四月一日至二零零七年五月十八日期間，並無任何購股權授出、行使、註銷或失效。

(c) SHARE OPTION SCHEME OF TRASY ADOPTED ON 30TH APRIL, 2002

Details of the movements in share options granted under the share option scheme of Trasy (the "Trasy Share Option Scheme") from 1st April, 2007 to 11th June, 2007 (the "Relevant Period"), the date on which Trasy ceased to be a subsidiary of the Company, were as follows:

(c) 卓施於二零零二年四月三十日採納之購股權計劃

於二零零七年四月一日至二零零七年六月十一日(卓施不再為本公司附屬公司當日)期間(「有關期間」)，根據卓施之購股權計劃(「卓施購股權計劃」)所授出購股權之變動情況如下：

Category of participants	Number of share options 購股權數目				Outstanding as at 11th June, 2007	Exercise price per share HK\$	Date of grant	Exercise period
	Balance as at 1st April, 2007	Granted during the Relevant Period	Exercised during the Relevant Period	Cancelled or lapsed during the Relevant Period				
參與者類別	於二零零七年 四月一日結餘	於有關 期間內授出	於有關 期間內行使	於有關 期間內 註銷或失效	於二零零七年 六月十一日 尚未行使	每股行使價 港元	授出日期	行使期
Employees of Trasy 卓施僱員	-	3,500,000	-	-	3,500,000	0.2194	1.6.2007 二零零七年 六月一日	1.6.2007 - 31.5.2010 (Note 1) 二零零七年 六月一日至 二零一零年 五月三十一日 (附註1)
Other participants under the Trasy Share Option Scheme 卓施購股權計劃下 之其他參與者	-	900,000	-	-	900,000	0.2194	1.6.2007 二零零七年 六月一日	1.6.2007 - 31.5.2010 (Note 1) 二零零七年 六月一日至 二零一零年 五月三十一日 (附註1)
Other participant under the Trasy Share Option Scheme 卓施購股權計劃下 之其他參與者	-	1,000,000	(100,000)	-	900,000	0.2014	6.6.2007 二零零七年 六月六日	6.6.2007 - 5.6.2010 (Note 2) 二零零七年 六月六日至 二零一零年 六月五日 (附註2)
	-	5,400,000	(100,000)	-	5,300,000			

(c) SHARE OPTION SCHEME OF TRASY ADOPTED ON 30TH APRIL, 2002 *(continued)**Notes:*

1. (i) 1st one-third of options exercisable from 1st June, 2007 to 31st May, 2010, both days inclusive;
- (ii) 2nd one-third of options exercisable from 1st June, 2008 to 31st May, 2010, both days inclusive; and
- (iii) 3rd one-third of options exercisable from 1st June, 2009 to 31st May, 2010, both days inclusive.
2. (i) 1st one-third of options exercisable from 6th June, 2007 to 5th June, 2010, both days inclusive;
- (ii) 2nd one-third of options exercisable from 6th June, 2008 to 5th June, 2010, both days inclusive; and
- (iii) 3rd one-third of options exercisable from 6th June, 2009 to 5th June, 2010, both days inclusive.

At no time during the period under review was the Company or any of its subsidiaries a party to any arrangements which enabled the directors of the Company to acquire benefits by means of the acquisition of shares in, or debt securities including debentures of, the Company or any other body corporate, and none of the directors, chief executives or their spouse or children under the age of 18, had any right to subscribe for securities of the Company, or had exercised any such right during the period under review.

(c) 卓施於二零零二年四月三十日採納之購股權計劃 (續)*附註：*

1. (i) 首個三分之一購股權可自二零零七年六月一日至二零一零年五月三十一日止期間行使，包括首尾兩天；
- (ii) 第二個三分之一購股權可自二零零八年六月一日至二零一零年五月三十一日止期間行使，包括首尾兩天；及
- (iii) 第三個三分之一購股權可自二零零九年六月一日至二零一零年五月三十一日止期間行使，包括首尾兩天。
2. (i) 首個三分之一購股權可自二零零七年六月六日至二零一零年六月五日止期間行使，包括首尾兩天；
- (ii) 第二個三分之一購股權可自二零零八年六月六日至二零一零年六月五日止期間行使，包括首尾兩天；及
- (iii) 第三個三分之一購股權可自二零零九年六月六日至二零一零年六月五日止期間行使，包括首尾兩天。

本公司或其任何附屬公司於回顧期內任何時間概無參與訂立任何安排，以使本公司董事可藉購入本公司或任何其他法人團體之股份或債務證券(包括債權證)而獲利，且董事、主要行政人員或彼等之配偶或未滿十八歲之子女於回顧期內概無擁有認購本公司證券之權利，亦無行使任何該等權利。

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS/OTHER PERSONS RECORDED IN THE REGISTER KEPT UNDER SECTION 336 OF THE SFO

As at 30th September, 2007, so far as is known to the directors and the chief executives of the Company, the interests or short positions of substantial shareholders/other persons in the shares and underlying shares of the Company as recorded in the register of the Company required to be kept under section 336 of the SFO were as follows:

(a) INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

根據證券及期貨條例第336條保存之登記冊所記錄之主要股東／其他人士之權益及淡倉

於二零零七年九月三十日，就本公司董事及主要行政人員所知，根據證券及期貨條例第336條保存之本公司登記冊所記錄之主要股東／其他人士於本公司之股份及相關股份之權益或淡倉如下：

(a) 主要股東於本公司股份及相關股份之權益及淡倉

Name	Capacity	Long position/ Short position	No. of ordinary shares of the Company held	Approximate percentage of the issued ordinary share capital of the Company 佔本公司 已發行普通股 股本概約百分比
姓名／名稱	身份	好倉／淡倉	所持本公司 普通股數目	
Chan Kwok Keung, Charles 陳國強	Beneficial owner 實益擁有人	Long position 好倉	40,888,000	1.88%
Chan Kwok Keung, Charles 陳國強	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	642,939,242	29.57%
Chinaview International Limited	Interest of controlled corporation (Note) 於受控制法團之權益 (附註)	Long position 好倉	642,939,242	29.57%
Galaxyway Investments Limited	Beneficial owner (Note) 實益擁有人(附註)	Long position 好倉	642,939,242	29.57%
Ng Yuen Lan, Macy 伍婉蘭	Interest of spouse (Note) 配偶權益(附註)	Long position 好倉	683,827,242	31.45%

Note: Galaxyway Investments Limited was a wholly-owned subsidiary of Chinaview International Limited which was, in turn, wholly owned by Dr. Chan Kwok Keung, Charles. Ms. Ng Yuen Lan, Macy was the spouse of Dr. Chan Kwok Keung, Charles. Chinaview International Limited, Dr. Chan Kwok Keung, Charles and Ms. Ng Yuen Lan, Macy were deemed to be interested in the ordinary shares of the Company held by Galaxyway Investments Limited. Ms. Ng Yuen Lan, Macy was deemed to be interested in the ordinary shares of the Company held by Dr. Chan Kwok Keung, Charles.

附註：Galaxyway Investments Limited為Chinaview International Limited之全資附屬公司，而Chinaview International Limited則由陳國強博士全資擁有。伍婉蘭女士為陳國強博士之配偶。Chinaview International Limited、陳國強博士及伍婉蘭女士均被視作於由Galaxyway Investments Limited所持之本公司普通股中擁有權益。伍婉蘭女士被視作於由陳國強博士所持之本公司普通股中擁有權益。

(b) INTERESTS AND SHORT POSITIONS OF OTHER PERSONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

(b) 其他人士於本公司股份及相關股份之權益及淡倉

Name	Capacity	Long position/ Short position	No. of ordinary shares of the Company held	No. of underlying shares (in respect of listed equity derivatives) of the Company held 所持本公司之相關 股份(有關上市 股本衍生工具)數目	Approximate percentage of the issued ordinary share capital of the Company 佔本公司 已發行普通股 股本概約百分比
姓名／名稱	身份	好倉／淡倉	所持本公司 普通股數目		
CEF Holdings Limited ("CEF Holdings") 加拿大怡東集團 有限公司 (「加怡集團」)	Interest of controlled corporations (Note) 於受控制法團之權益 (附註)	Long position 好倉	2,773,046	-	0.13%
CEF Holdings 加怡集團	Interest of controlled corporations (Note) 於受控制法團之權益 (附註)	Long position 好倉	-	213,015,153	9.8%
Canadian Imperial Bank of Commerce 加拿大帝國商業銀行	Interest of controlled corporations (Note) 於受控制法團之權益 (附註)	Long position 好倉	2,773,046	-	0.13%
Canadian Imperial Bank of Commerce 加拿大帝國商業銀行	Interest of controlled corporations (Note) 於受控制法團之權益 (附註)	Long position 好倉	-	213,015,153	9.8%
Cheung Kong (Holdings) Limited ("CKH") 長江實業(集團) 有限公司(「長實」)	Interest of controlled corporations (Note) 於受控制法團之權益 (附註)	Long position 好倉	2,773,046	-	0.13%
CKH 長實	Interest of controlled corporations (Note) 於受控制法團之權益 (附註)	Long position 好倉	-	213,015,153	9.8%
Li Ka-Shing Unity Trustee Company Limited ("TUT1")	Trustee (Note) 信託人(附註)	Long position 好倉	2,773,046	-	0.13%
TUT1	Trustee (Note) 信託人(附註)	Long Position 好倉	-	213,015,153	9.8%
Li Ka-Shing Unity Trustee Corporation Limited ("TD1")	Trustee & beneficiary of a trust (Note) 信託人及信託受益人 (附註)	Long position 好倉	2,773,046	-	0.13%

(b) INTERESTS AND SHORT POSITIONS OF OTHER PERSONS IN
SHARES AND UNDERLYING SHARES OF THE COMPANY
(continued)

(b) 其他人士於本公司股份及相關股份之權益
及淡倉 (續)

Name	Capacity	Long position/ Short position	No. of ordinary shares of the Company held	No. of underlying shares (in respect of listed equity derivatives) of the Company held 所持本公司之相關 股份(有關上市 股本衍生工具)數目	Approximate percentage of the issued ordinary share capital of the Company 佔本公司 已發行普通股 股本概約百分比
姓名／名稱	身份	好倉／淡倉	所持本公司 普通股數目		
TDT1	Trustee & beneficiary of a trust (Note) 信託人及信託受益人 (附註)	Long position 好倉	-	213,015,153	9.8%
Li Ka-Shing Unity Trustcorp Limited ("TDT2")	Trustee & beneficiary of a trust (Note) 信託人及信託受益人 (附註)	Long position 好倉	2,773,046	-	0.13%
TDT2	Trustee & beneficiary of a trust (Note) 信託人及信託受益人 (附註)	Long position 好倉	-	213,015,153	9.8%
Li Ka-shing 李嘉誠	Interest of controlled corporations & founder of discretionary trusts (Note) 於受控制法團之權益 及全權信託之成立人 (附註)	Long position 好倉	2,773,046	-	0.13%
Li Ka-shing 李嘉誠	Interest of controlled corporations & founder of discretionary trusts (Note) 於受控制法團之權益 及全權信託之成立人 (附註)	Long position 好倉	-	213,015,153	9.8%

Note: So far as known to the directors of the Company, the number of ordinary shares and underlying shares (in respect of listed equity derivatives) of the Company held by Asialand Investment Limited ("Asialand") and CEF (Capital Markets) Limited ("CEF Capital Markets") were 50,849,968 and 164,938,231 respectively. CEF Capital Markets was wholly owned by CEF Holdings. Asialand was wholly owned by CEF M B Investments Limited which was in turn wholly owned by CEF Holdings.

附註：就本公司董事所知悉，由 Asialand Investment Limited (「Asialand」) 及 CEF (Capital Markets) Limited (「CEF Capital Markets」) 所持本公司之普通股及相關股份(有關上市股本衍生工具)數目分別為 50,849,968 股及 164,938,231 股。CEF Capital Markets 由加怡集團全資擁有。Asialand 由 CEF M B Investments Limited 全資擁有，而 CEF M B Investments Limited 則由加怡集團全資擁有。

(b) INTERESTS AND SHORT POSITIONS OF OTHER PERSONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY
(continued)

Note: (continued)

Each of CKH and CIBC Holdings (Cayman) Limited was entitled to exercise or control the exercise of one-third or more of the voting power at the general meetings of CEF Holdings. CIBC Holdings (Cayman) Limited was wholly owned by Canadian Imperial Bank of Commerce. CEF M B Investments Limited was deemed to be interested in ordinary shares of the Company and underlying shares (in respect of listed equity derivatives) of the Company held by Asialand. CEF Holdings, CIBC Holdings (Cayman) Limited and Canadian Imperial Bank of Commerce were all deemed to be interested in ordinary shares and underlying shares (in respect of listed equity derivatives) of the Company held by Asialand and CEF Capital Markets.

Li Ka-Shing Unity Holdings Limited, of which each of Mr. Li Ka-shing, Mr. Li Tzar Kuoi, Victor and Mr. Li Tzar Kai, Richard was interested in one-third of the entire issued share capital, owned the entire issued share capital of TUT1. TUT1 as trustee of The Li Ka-Shing Unity Trust, together with certain companies which TUT1 as trustee of The Li Ka-Shing Unity Trust was entitled to exercise or control the exercise of more than one-third of the voting power at their general meetings, held more than one-third of the issued share capital of CKH.

In addition, Li Ka-Shing Unity Holdings Limited also owned the entire issued share capital of TDT1 as trustee of The Li Ka-Shing Unity Discretionary Trust ("DT1") and TDT2 as trustee of another discretionary trust ("DT2"). Each of TDT1 and TDT2 held units in The Li Ka-Shing Unity Trust.

By virtue of the SFO, each of Mr. Li Ka-shing being the settlor and may being regarded as a founder of each of DT1 and DT2 for the purpose of the SFO, CKH, TUT1, TDT1 and TDT2 was deemed to be interested in ordinary shares and underlying shares (in respect of listed equity derivatives) of the Company held by Asialand and CEF Capital Markets.

Save as disclosed above, no other parties were recorded in the register of the Company required to be kept under section 336 of the SFO as having interests or short positions in the shares or underlying shares of the Company as at 30th September, 2007.

(b) 其他人士於本公司股份及相關股份之權益及淡倉 (續)

附註：(續)

長實及 CIBC Holdings (Cayman) Limited 各自有權在加怡集團之股東大會上行使或控制行使三分之一或以上之投票權。CIBC Holdings (Cayman) Limited 由加拿大帝國商業銀行全資擁有。CEF M B Investments Limited 被視為於由 Asialand 所持本公司之普通股及本公司之相關股份 (有關上市股本衍生工具) 中擁有權益。加怡集團、CIBC Holdings (Cayman) Limited 及加拿大帝國商業銀行均被視為於由 Asialand 及 CEF Capital Markets 所持本公司之普通股及相關股份 (有關上市股本衍生工具) 中擁有權益。

Li Ka-Shing Unity Holdings Limited (由李嘉誠先生、李澤鉅先生及李澤楷先生各自擁有其三分之一全部已發行股本) 擁有 TUT1 之全部已發行股本。TUT1 作為 The Li Ka-Shing Unity Trust 之信託人連同若干公司 (其中 TUT1 作為 The Li Ka-Shing Unity Trust 之信託人有權於彼等之股東大會上行使或控制行使三分之一以上之投票權) 合共持有長實三分之一以上之已發行股本。

此外，Li Ka-Shing Unity Holdings Limited 亦擁有 TDT1 (作為 The Li Ka-Shing Unity Discretionary Trust ("DT1") 之信託人) 及 TDT2 (作為另一個全權信託 ("DT2") 之信託人) 之全部已發行股本。TDT1 及 TDT2 各自持有 The Li Ka-Shing Unity Trust 之單位。

根據證券及期貨條例，李嘉誠先生 (作為財產授予人以及就證券及期貨條例而言可能被視為 DT1 及 DT2 各自之成立人)、長實、TUT1、TDT1 及 TDT2 各自被視為於由 Asialand 及 CEF Capital Markets 所持本公司之普通股及相關股份 (有關上市股本衍生工具) 中擁有權益。

除上文所披露者外，於二零零七年九月三十日，根據證券及期貨條例第336條本公司須保存之登記冊所記錄，概無其他人士擁有本公司之股份或相關股份之權益或淡倉。

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30th September, 2007, there were no purchases or sales by the Company, or any of its subsidiaries, of the Company's listed securities except for the redemption of 265,062,000 Preference Shares at the redemption price of HK\$1.06 per share with an aggregate redemption value of approximately HK\$281 million on 5th November, 2007.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has, throughout the six months ended 30th September, 2007, complied with the code provisions of the Code on Corporate Governance Practices contained in Appendix 14 of the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company. All directors of the Company have confirmed, following specific enquiry by the Company, that they complied with the required standard set out in the Model Code for the six months ended 30th September, 2007.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, financial reporting process and internal control matters including a review of the unaudited interim financial report for the six months ended 30th September, 2007.

The interim financial report of the Company for the six months ended 30th September, 2007 has been reviewed by the auditors, Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

On Behalf of the Board

Dr. Chan Kwok Keung, Charles
Chairman

Hong Kong, 21st December, 2007

購買、出售或贖回本公司上市證券

於截至二零零七年九月三十日止六個月內，本公司或其任何附屬公司概無購買或出售本公司之上市證券，惟曾於二零零七年十一月五日以贖回價每股1.06港元贖回265,062,000股優先股，總贖回額約為281,000,000港元。

企業管治常規守則

本公司已於截至二零零七年九月三十日止六個月內一直遵守上市規則附錄十四所載之企業管治常規守則之守則條文。

董事證券交易標準守則

本公司已採納上市規則附錄十所載的標準守則，作為本公司董事進行證券交易之標準守則。本公司向全體董事作出具體查詢後，彼等確認於截至二零零七年九月三十日止六個月期間內一直符合標準守則所規定之標準。

審核委員會

審核委員會與管理層已審閱本集團採納之會計原則及慣例，並就審計、財務申報過程及內部監控事項，包括審閱截至二零零七年九月三十日止六個月之未經審核中期財務報告作商討。

本公司截至二零零七年九月三十日止六個月之中期財務報告已經由核數師德勤•關黃陳方會計師行根據香港會計師公會頒佈之《香港審閱工作準則》第2410號「由實體之獨立核數師執行之中期財務資料的審閱」進行審閱。

代表董事會

陳國強博士
主席

香港，二零零七年十二月二十一日

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



TO THE BOARD OF DIRECTORS OF ITC CORPORATION LIMITED
(Incorporated in Bermuda with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 28 to 43, which comprises the condensed consolidated balance sheet of ITC Corporation Limited as of 30th September, 2007 and the related condensed consolidated income statement, statement of changes in equity and cash flow statement for the six-month period then ended and certain explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong, 21st December, 2007

中期財務資料審閱報告書

致德祥企業集團有限公司董事會
(於百慕達註冊成立之有限公司)

引言

本行已審閱第28至43頁所載之中期財務資料，當中包括德祥企業集團有限公司於二零零七年九月三十日之簡明綜合資產負債表，以及截至該日止六個月期間之相關之簡明綜合收入報表、簡明綜合權益變動表及簡明綜合現金流量表及某些解釋附註。香港聯合交易所有限公司證券主板上市規則規定，中期財務報告之編制須符合當中訂明之相關條文，以及由香港會計師公會頒佈之香港會計準則第34號《中期財務報告》。董事須負責根據香港會計準則第34號《中期財務報告》編制及呈報這些中期財務資料。本行之責任是根據審閱之結果，對這些中期財務資料作出結論，並按照雙方所協定之委聘書條款僅向整體董事會報告，除此之外本報告別無其他目的。本行不會就本報告之內容向任何其他人士負上或承擔任何責任。

審閱範圍

本行依據香港會計師公會頒佈之《香港審閱工作準則》第2410號「由實體之獨立核數師執行之中期財務資料的審閱」進行本行之審閱工作。審閱中期財務資料主要包括向負責財務和會計事務之人員作出查詢，以及進行分析性和其他審閱程序。由於審閱之範圍遠較根據香港審計準則進行審核之範圍為小，故本行不保證可知悉所有在審核中可能發現之重大事項。因此，本行不會發表審核意見。

結論

根據本行之審閱結果，本行並無發現任何事項而令本行相信中期財務資料在任何重大方面未有根據香港會計準則第34號編制。

德勤•關黃陳方會計師行
執業會計師

香港，二零零七年十二月二十一日



CONDENSED CONSOLIDATED INCOME STATEMENT 簡明綜合收入報表

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2007 截至二零零七年九月三十日止六個月

			(Unaudited)	
			Six months ended	
			30.9.2007	30.9.2006
		Notes	HK\$'000	HK\$'000
			(未經審核)	
			截至九月三十日止六個月	
		附註	二零零七年	二零零六年
			千港元	千港元
Revenue	收入	3	333,574	358,174
Cost of sales	銷售成本		(266,838)	(305,947)
Gross profit	毛利		66,736	52,227
Other income	其他收入	4	7,540	-
Administrative expenses	行政開支		(81,868)	(32,765)
Gain on disposal of available-for-sale investments	出售可供銷售投資之收益		20,613	-
Other gains (losses), net	其他收益(虧損)淨額	5	142,991	(14,860)
Finance costs	財務成本	6	(46,296)	(8,241)
Impairment loss recognised in respect of available-for-sale investments	可供銷售投資之減值折損		(20,960)	-
Allowance for amounts due from associates and related companies	應收聯營公司及關連公司款項撥備		(1,317)	(1,415)
Loss on disposal and dilution of interests in subsidiaries and associates	出售及攤薄附屬公司及聯營公司權益之虧損	7	(74,400)	(481)
Share of results of associates	攤佔聯營公司業績		362,731	200,483
Profit before taxation	除稅前溢利		375,770	194,948
Taxation	稅項	8	(10,669)	-
Profit for the period	期內溢利	9	365,101	194,948
Attributable to:	以下人士應佔：			
Equity holders of the Company	本公司之股權持有人		303,318	195,753
Minority interests	少數股東權益		61,783	(805)
			365,101	194,948
Distributions	分派	10	43,480	31,237
Earnings per share	每股盈利	11		
Basic (HK cents)	基本(港仙)		12.5	8.9
Diluted (HK cents)	攤薄(港仙)		9.9	7.5

CONDENSED CONSOLIDATED BALANCE SHEET 簡明綜合資產負債表

AT 30TH SEPTEMBER, 2007 於二零零七年九月三十日

	Notes	(Unaudited) 30.9.2007 HK\$'000 (未經審核) 二零零七年 九月三十日 千港元	(Audited) 31.3.2007 HK\$'000 (經審核) 二零零七年 三月三十一日 千港元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	12 59,599	179,765
Investment properties	投資物業	12 5,058	150,421
Prepaid lease payments	預付租賃款項	86,332	87,437
Intangible assets	無形資產	830	4,580
Interests in associates	聯營公司權益	13 2,377,592	1,594,047
Debt portion of convertible notes	可換股票據(債項部分)	175,033	274,304
Conversion options embedded in convertible notes	可換股票據附帶之換股權	14,763	98,466
Deposits paid for acquisition of subsidiaries	收購附屬公司之已付按金	-	50,000
Deposits for acquisition of long-term investments	收購長期投資之按金	-	145,000
Deposits paid for acquisition of available-for-sale investments	收購可供銷售投資之已付按金	12,434	-
Payments for acquisition of interest in properties	收購物業權益所付款項	-	58,830
Available-for-sale investments	可供銷售投資	30,524	1,033,823
Deferred tax assets	遞延稅項資產	-	1,464
		2,762,165	3,678,137
Current assets	流動資產		
Inventories	存貨	230	239
Prepaid lease payments	預付租賃款項	2,214	2,214
Other assets	其他資產	-	229,288
Debtors, deposits and prepayments	應收賬款、訂金及預付款項	14 35,553	404,029
Margin account receivables	應收孖展賬戶款項	139,086	17,523
Deposits paid for acquisition of investments held for trading	收購持作買賣投資之已付按金	165,453	73,289
Amounts due from associates	應收聯營公司款項	303,099	500,050
Amounts due from related companies	應收關連公司款項	123,068	7,262
Loans receivable	應收貸款	25,000	340,549
Financial assets designated at fair value through profit or loss	指定按公平價值於收益或虧損列賬之金融資產	5,299	147,238
Investments held for trading	持作買賣投資	110,559	626,649
Tax recoverable	可收回稅項	-	1,438
Short-term bank deposits, bank balances and cash	短期銀行存款、銀行結存及現金	191,410	282,304
		1,100,971	2,632,072
Current liabilities	流動負債		
Margin account payables	應付孖展賬戶款項	141,474	6,794
Creditors and accrued expenses	應付賬款及應計開支	15 42,206	91,884
Dividend payable	應付股息	43,480	-
Amounts due to associates	應付聯營公司款項	490	163,015
Amounts due to related companies	應付關連公司款項	669	-
Derivative financial instruments	衍生金融工具	2,134	222
Redeemable convertible preference shares	可贖回可換股優先股	290,542	286,137
Tax payable	應繳稅項	-	63,977
Borrowings - due within one year	一年內到期之借款	2,450	517,100
Bank overdrafts	銀行透支	37,092	71,599
		560,537	1,200,728
Net current assets	流動資產淨值	540,434	1,431,344
Total assets less current liabilities	總資產減流動負債	3,302,599	5,109,481
Non-current liabilities	非流動負債		
Borrowings - due after one year	一年後到期之借款	27,650	141,350
Convertible notes payable	可換股票據應付款項	-	556,980
Deferred tax liabilities	遞延稅項負債	2,844	39,091
		30,494	737,421
Net assets	資產淨值	3,272,105	4,372,060
Capital and reserves	股本及儲備		
Share capital	股本	16 217,400	187,298
Share premium and reserves	股份溢價及儲備	3,054,705	2,623,128
Equity attributable to equity holders of the Company	本公司股權持有人應佔之權益	3,272,105	2,810,426
Conversion option reserve of a subsidiary	一間附屬公司之換股權儲備	-	55,279
Minority interests	少數股東權益	-	1,506,355
Total equity	總權益	3,272,105	4,372,060

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 簡明綜合權益變動表

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2007 截至二零零七年九月三十日止六個月

Attributable to equity holders of the Company
本公司股東持有人應佔

		Share capital	Share premium	Contributed surplus	Reserve on acquisition	Capital redemption reserve	Other reserve	Property revaluation reserve	Investment revaluation reserve	Translation reserve	Preference share	Accumulated profits	Total	Minority interests	Conversion option reserve of a subsidiary	Share option reserve of a subsidiary	Total
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		股本	股份溢價	實繳盈餘	收購儲備	贖回儲備	其他儲備	物業重估儲備	投資重估儲備	匯兌儲備	優先股儲備	累計溢利	合計	少數股東權益	附屬公司之換股權儲備	附屬公司之購股權儲備	合計
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1st April, 2007	於二零零七年四月一日	187,298	280,179	1,108,927	(81,306)	908	3,525	6,664	(1,588)	53,096	868	1,251,855	2,810,426	1,506,355	55,279	-	4,372,060
Exchange differences arising from translation of foreign operations	換算國外業務產生之匯兌差額	-	-	-	-	-	-	-	-	8,907	-	-	8,907	3,798	-	-	12,705
Share of post-acquisition reserve movements of associates	聯營公司收購後儲備之變動	-	-	-	(202)	-	(1,834)	-	(73,671)	13,565	-	148	(61,994)	(1,335)	-	-	(63,329)
Gain on fair value changes of available-for-sale investments	可供銷售投資公平價值變動產生之收益	-	-	-	-	-	-	-	54,917	-	-	-	54,917	41,110	-	-	96,027
Net (expenses) income recognised directly in equity	直接於權益確認之(開支)收入淨額	-	-	-	(202)	-	(1,834)	-	(18,754)	22,472	-	148	1,830	43,573	-	-	45,403
Profit for the period	期內溢利	-	-	-	-	-	-	-	-	-	-	303,318	303,318	61,783	-	-	365,101
Impairment loss on available-for-sale investments	可供銷售投資減值折損	-	-	-	-	-	-	-	20,960	-	-	-	20,960	-	-	-	20,960
Released on disposal and dilution of interests in subsidiaries	出售及攤薄附屬公司權益時轉出	-	-	-	(2,686)	-	1,241	-	(7,919)	(7,213)	-	-	(16,577)	(1,611,711)	(55,099)	(67)	(1,683,454)
Released on disposal and dilution of interests in associates	出售及攤薄聯營公司權益時轉出	-	-	-	426	-	50	-	(349)	(433)	-	-	(306)	-	-	-	(306)
Released on disposal of available-for-sale investments	出售可供銷售投資時轉出	-	-	-	-	-	-	-	(20,613)	-	-	-	(20,613)	-	-	-	(20,613)
Total recognised income and expenses for the period	期內確認收入及開支總額	-	-	-	(2,462)	-	(543)	-	(26,675)	14,826	-	303,466	288,612	(1,506,355)	(55,099)	(67)	(1,272,909)
Recognition of equity-settled share-based payments	確認為股份支付款項之開支	-	-	-	-	-	-	-	-	-	-	-	-	-	-	69	69
Issue of shares	發行股份	30,000	185,488	-	-	-	-	-	-	-	-	-	215,488	-	-	-	215,488
Issue of shares on conversion of redeemable convertible preference shares	因轉換可贖回可換股優先股而發行之股份	102	961	-	-	-	-	-	-	-	(4)	-	1,059	-	-	-	1,059
Released on conversion of convertible notes of a subsidiary	一間附屬公司兌換可換股票據時轉出	-	-	-	-	-	-	-	-	-	-	-	-	(180)	-	-	(180)
Released on exercise of share options of a subsidiary	一間附屬公司行使購股權時轉出	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2)	(2)
Distributions	分派	-	-	-	-	-	-	-	-	-	-	(43,480)	(43,480)	-	-	-	(43,480)
At 30th September, 2007	於二零零七年九月三十日	217,400	466,628	1,108,927	(83,768)	908	2,982	6,664	(28,263)	67,922	864	1,511,841	3,272,105	-	-	-	3,272,105
At 1st April, 2006	於二零零六年四月一日	183,750	282,782	1,108,927	(58,374)	908	3,470	467	15,259	25,691	871	446,194	2,009,945	22,064	-	-	2,032,009
Exchange differences arising from translation of foreign operations	換算國外業務產生之匯兌差額	-	-	-	-	-	-	-	-	621	-	-	621	-	-	-	621
Share of post-acquisition reserve movements of associates	聯營公司收購後儲備之變動	-	-	-	(37,998)	-	(4,476)	-	(20,677)	(989)	-	-	(64,140)	-	7,414	-	(56,726)
Loss on fair value changes of available-for-sale investments	可供銷售投資公平價值變動產生之虧損	-	-	-	-	-	-	-	(13,895)	-	-	-	(13,895)	-	-	-	(13,895)
Net (expenses) income recognised directly in equity	直接於權益確認之(開支)收入淨額	-	-	-	(37,998)	-	(4,476)	-	(34,572)	(368)	-	-	(77,414)	-	7,414	-	(70,000)
Profit for the period	期內溢利	-	-	-	-	-	-	-	-	-	-	195,753	195,753	(805)	-	-	194,948
Released on dilution of interests in associates	聯營公司權益時轉出	-	-	-	3,737	-	(68)	-	(73)	(1,181)	-	-	2,415	-	-	-	2,415
Total recognised income and expenses for the period	期內確認收入及開支總額	-	-	-	(34,261)	-	(4,544)	-	(34,645)	(1,549)	-	195,753	120,754	(805)	7,414	-	127,363
Distributions	分派	-	-	-	-	-	-	-	-	-	-	(31,237)	(31,237)	-	-	-	(31,237)
At 30th September, 2006	於二零零六年九月三十日	183,750	282,782	1,108,927	(92,635)	908	(1,074)	467	(19,386)	24,142	871	610,710	2,099,462	21,259	7,414	-	2,128,135

CONDENSED CONSOLIDATED CASH FLOW STATEMENT 簡明綜合現金流量表

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2007 截至二零零七年九月三十日止六個月

		(Unaudited)	
		Six months ended	
		30.9.2007	30.9.2006
		HK\$'000	HK\$'000
		(未經審核)	
		截至九月三十日止六個月	
		二零零七年	二零零六年
		千港元	千港元
Net cash (used in) from operating activities	經營業務(動用)所得之現金淨額	(114,744)	311,155
Net cash used in investing activities	投資業務動用之現金淨額		
Dilution of interests in subsidiaries, net of cash and cash equivalents disposed	攤薄附屬公司權益，扣除已出售之現金與現金等值項目	(82,120)	-
Disposal of partial interests in subsidiaries	出售部份附屬公司權益	131,768	-
Disposal of interests in associates	出售聯營公司權益	46,040	-
Proceeds from disposal of available-for-sale investments	出售可供銷售投資所得款項	45,918	-
Investment in convertible notes	投資可換股票據	(69,964)	(30,000)
Additions to available-for-sale investments	增購可供銷售投資	(18,603)	-
Investment in financial assets designated at fair value through profit or loss	投資指定按公平價值於收益或虧損列賬之金融資產	(158,279)	-
Deposits for acquisition of long-term investments	收購長期投資之按金	(110,000)	-
Deposit in a financial institution	於一間金融機構之存款	-	(346,600)
Deposit paid for acquisition of additional interest in an associate	收購一間聯營公司之額外權益而支付之按金	-	(43,343)
Others	其他	(6,992)	(32,742)
		(222,232)	(452,685)
Net cash from (used in) financing activities	融資業務所得(動用)之現金淨額		
Proceeds from issue of shares	發行股份所得款項	215,488	-
Proceeds from issue of shares of a subsidiary	發行一間附屬公司股份所得款項	142,415	-
Repayments of bank borrowings	償還銀行借款	(31,162)	-
Interest paid	已付股息	(48,398)	(2,747)
		278,343	(2,747)
Net decrease in cash and cash equivalents	現金與現金等值項目減少淨額	(58,633)	(144,277)
Cash and cash equivalents at beginning of the period	承前現金與現金等值項目	210,705	199,591
Effect of foreign exchange rate changes	匯率變動之影響	2,246	(600)
Cash and cash equivalents at end of the period	結轉現金與現金等值項目	154,318	54,714
Analysis of the balances of cash and cash equivalents	現金與現金等值項目結存分析		
Short-term bank deposits, bank balances and cash	短期銀行存款、銀行結存及現金	191,410	107,403
Less: bank overdrafts	減：銀行透支	(37,092)	(52,689)
		154,318	54,714

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS 簡明綜合財務報表附註

FOR THE SIX MONTHS ENDED 30TH SEPTEMBER, 2007 截至二零零七年九月三十日止六個月

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at revalued amounts or fair values, where appropriate.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the annual financial statements of the Company and its subsidiaries (the "Group") for the year ended 31st March, 2007.

In the current interim period, the Group has applied, for the first time, a new standard, amendment and interpretations ("new HKFRSs") issued by the HKICPA, which are effective for the Group's financial year beginning 1st April, 2007. The adoption of these new HKFRSs had no material effect on the results or financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been recognised.

The Group has not early applied the following new and revised standards or interpretations that have been issued but are not yet effective:

HKAS 23 (Revised)	Borrowing Costs ¹
HKFRS 8	Operating Segments ¹
HK(IFRIC) – INT 12	Service Concession Arrangements ²
HK(IFRIC) – INT 13	Customer Loyalty Programmes ³
HK(IFRIC) – INT 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirement and their Interaction ²

¹ Effective for annual periods beginning on or after 1st January, 2009

² Effective for annual periods beginning on or after 1st January, 2008

³ Effective for annual periods beginning on or after 1st July, 2008

The directors of the Company anticipate that the application of these standards or interpretations will have no material impact on the results and the financial position of the Group.

1. 編製基準

簡明綜合財務報表乃根據香港聯合交易所有限公司證券上市規則附錄十六有關披露之適用規定及香港會計師公會頒佈之香港會計準則第34號「中期財務報告」之規定而編製。

2. 主要會計政策

簡明綜合財務報表乃根據歷史成本法編製，惟若干物業及金融工具乃按重估額或公平價值（視情況而定）計算。

編製本簡明綜合財務報表採納之會計政策與本公司及其附屬公司（「本集團」）之截至二零零七年三月三十一日止年度之綜合財務報表所採納者相符。

於本中期期間，本集團首次採納由香港會計師公會頒佈並對本集團於二零零七年四月一日開始之財政年度生效之一項新訂準則、修訂及多項詮釋（「新訂香港財務報告準則」）。採納該等新訂香港財務報告準則對本期間或過往會計期間之業績或財務狀況並無重大影響。因此並無確認前期調整。

本集團並無提早應用下列已頒佈惟尚未生效之新訂及經修訂準則或詮釋：

香港會計準則第23號（經修正）	借貸成本 ¹
香港財務報告準則第8號	經營分類 ¹
香港（國際詮釋委員會） — 詮釋第12號	服務特許安排 ²
香港（國際詮釋委員會） — 詮釋第13號	客戶忠誠計劃 ³
香港（國際詮釋委員會） — 詮釋第14號	香港會計準則第19號 — 界定福利資產之 限制、最低資金需求 及兩者之互動關係 ²

¹ 於二零零九年一月一日或以後開始之全年期間生效

² 於二零零八年一月一日或以後開始之全年期間生效

³ 於二零零八年七月一日或以後開始之全年期間生效

本公司董事預期採用上述之準則或詮釋對本集團之業績及財務狀況不會有重大影響。

3. REVENUE AND SEGMENT INFORMATION

Business segments

For management purposes, the Group's operations are organised into five operating divisions, namely finance, securities investment (investments held for trading), other investment, property investment and trading of building materials and machinery. These divisions are the basis on which the Group reports its primary segment information.

Six months ended 30th September, 2007

3. 收入及分部資料

業務分類

就管理而言，本集團將業務分為五大類，分別為融資、證券投資（持作買賣投資）、其他投資、物業投資及建築材料及機械貿易。該等業務構成本集團申報其主要分部資料之基準。

截至二零零七年九月三十日止六個月

		Finance HK\$'000	Securities investment HK\$'000	Other investment HK\$'000	Property investment HK\$'000	Trading of building materials and machinery HK\$'000 建築材料及 機械貿易 千港元	Unallocated HK\$'000	Eliminations HK\$'000	Consolidated HK\$'000
		融資 千港元	證券投資 千港元	其他投資 千港元	物業投資 千港元	千港元	未分配 千港元	抵銷 千港元	合計 千港元
REVENUE	收入								
External sales	對外銷售	28,871	268,518	27,629	465	2,547	5,544	-	333,574
Inter-segment sales	分部間銷售	14,204	-	998	2,586	-	-	(17,788)	-
Total	合計	<u>43,075</u>	<u>268,518</u>	<u>28,627</u>	<u>3,051</u>	<u>2,547</u>	<u>5,544</u>	<u>(17,788)</u>	<u>333,574</u>
RESULT	業績								
Segment result	分部業績	<u>15,866</u>	<u>70,453</u>	<u>103,326</u>	<u>117</u>	<u>24</u>	<u>2,095</u>	<u>-</u>	<u>191,881</u>
Unallocated corporate expenses	未分配之企業支出								(58,146)
Finance costs	財務成本								(46,296)
Loss on disposal and dilution of interests in subsidiaries and associates	出售及攤薄附屬公司及聯營公司權益之虧損								(74,400)
Share of results of associates	攤佔聯營公司業績								362,731
Profit before taxation	除稅前溢利								375,770
Taxation	稅項								(10,669)
Profit for the period	期內溢利								<u>365,101</u>

3. REVENUE AND SEGMENT INFORMATION (continued)

Business segments (continued)

Six months ended 30th September, 2006

3. 收入及分部資料 (續)

業務分類 (續)

截至二零零六年九月三十日止六個月

		Finance HK\$'000	Securities investment HK\$'000	Other investment HK\$'000	Property investment HK\$'000	Trading of building materials and machinery HK\$'000	Unallocated HK\$'000	Eliminations HK\$'000	Consolidated HK\$'000
		融資 千港元	證券投資 千港元	其他投資 千港元	物業投資 千港元	建築材料及 機械貿易 千港元	未分配 千港元	抵銷 千港元	合計 千港元
REVENUE	收入								
External sales	對外銷售	28,552	311,934	9,340	349	2,494	5,505	-	358,174
Inter-segment sales	分部間銷售	9,654	-	-	2,563	-	-	(12,217)	-
Total	合計	38,206	311,934	9,340	2,912	2,494	5,505	(12,217)	358,174
RESULT	業績								
Segment result	分部業績	813	5,100	9,042	(522)	133	2,345	-	16,911
Unallocated corporate expenses	未分配之企業支出								(13,724)
Finance costs	財務成本								(8,241)
Loss on dilution of interests in associates	攤薄聯營公司權益之虧損								(481)
Share of results of associates	攤佔聯營公司業績								200,483
Profit before taxation	除稅前溢利								194,948
Taxation	稅項								-
Profit for the period	期內溢利								194,948

Inter-segment sales are charged at prevailing market rate or at terms determined and agreed by both parties.

分部間之銷售乃按主要市場率收取，或按雙方決定及同意之條款收取。

4. OTHER INCOME

4. 其他收入

		Six months ended	
		30.9.2007	30.9.2006
		HK\$'000	HK\$'000
		截至九月三十日止六個月	
		二零零七年	二零零六年
		千港元	千港元
Reversal of allowance for loan receivables	撥回應收貸款撥備	1,982	-
Net foreign exchange gain	匯兌收益淨額	2,791	-
Others	其他	2,767	-
		7,540	-

5. OTHER GAINS (LOSSES), NET

5. 其他收益(虧損)淨額

		Six months ended	
		30.9.2007	30.9.2006
		HK\$'000	HK\$'000
		截至九月三十日止六個月	截至九月三十日止六個月
		二零零七年	二零零六年
		千港元	千港元
Net other gains (losses) arising from changes in fair values of:	公平價值變動產生之其他收益(虧損)淨額：		
- Conversion options embedded in convertible notes	- 可換股票據所附帶之換股權	77,236	(11,731)
- Derivative financial instruments	- 衍生金融工具	(2,134)	(199)
- Financial assets designated at fair value through profit or loss	- 指定按公平價值於溢利或虧損列賬之金融資產	10,963	51
- Investments held for trading	- 持作買賣投資	56,991	(2,440)
- Gold trading contracts	- 黃金買賣合約	(65)	(541)
		<u>142,991</u>	<u>(14,860)</u>

6. FINANCE COSTS

6. 財務成本

		Six months ended	
		30.9.2007	30.9.2006
		HK\$'000	HK\$'000
		截至九月三十日止六個月	截至九月三十日止六個月
		二零零七年	二零零六年
		千港元	千港元
Interest on:	以下各項之利息：		
- Bank borrowings wholly repayable within five years	- 須於五年內全部償還之銀行借款	588	540
- Bank borrowings not wholly repayable within five years	- 毋須於五年內全部償還之銀行借款	2,998	1,621
- Convertible notes payable	- 可換股票據應付款	8,734	-
- Redeemable convertible preference shares	- 可贖回可換股優先股	5,464	5,494
- Other borrowings wholly repayable within five years	- 須於五年內全部償還之其他借款	25,995	-
- Margin account payables	- 應付孖展賬戶款項	2,146	586
- Others	- 其他	371	-
		<u>46,296</u>	<u>8,241</u>

7. LOSS ON DISPOSAL AND DILUTION OF INTERESTS IN SUBSIDIARIES AND ASSOCIATES

7. 出售及攤薄附屬公司及聯營公司權益之虧損

		Six months ended	
		30.9.2007	30.9.2006
		HK\$'000	HK\$'000
		截至九月三十日止六個月	截至九月三十日止六個月
		二零零七年	二零零六年
		千港元	千港元
Loss on dilution of interests in subsidiaries	攤薄附屬公司權益之虧損	(160,207)	-
Loss on disposal of interests in subsidiaries	出售附屬公司權益之虧損	(56,644)	-
Gain (loss) on dilution of interests in associates	攤薄聯營公司權益之收益(虧損)	65,768	(481)
Gain on disposal of interests in associates	出售聯營公司權益之收益	76,683	-
		<u>(74,400)</u>	<u>(481)</u>

7. LOSS ON DISPOSAL AND DILUTION OF INTERESTS IN SUBSIDIARIES AND ASSOCIATES (continued)

During the period, significant changes in shareholdings of subsidiaries and associates are as follows:

- (a) In April 2007, Hanny Holdings Limited ("Hanny"), a then subsidiary of the Company, issued 43,500,000 ordinary shares at a price of HK\$3.40 each pursuant to a placing and subscription agreement, the Company's interest in Hanny was decreased from 67.23% to 57.36% resulted in a loss on dilution of approximately HK\$160 million. In May 2007, the Group disposed of 21,000,000 ordinary shares of Hanny at a price of HK\$5.00 each. The Company's interest in Hanny was further reduced to 50.27% resulted in a loss on disposal of approximately HK\$81 million. Subsequent to this disposal, the Company's interest in Hanny was further reduced to approximately 49.54% due to the conversion of the convertible notes of Hanny by certain noteholders, resulted in a gain on dilution of approximately HK\$265,000 and Hanny then ceased to be a subsidiary of the Company and became an associate of the Company on 18th May, 2007.
- (b) In May 2007, the Group disposed of approximately 6.45% equity interest in, a then subsidiary of the Company, Trasy Gold Ex Limited ("Trasy"). The Company's interest in Trasy was reduced to 50.00004% resulted in a gain on disposal of approximately HK\$24 million. In June 2007, the Company's interest in Trasy was further diluted to approximately 49.998% as a result of exercise of share options granted by Trasy, resulted in a gain on dilution of approximately HK\$11,000 and Trasy then ceased to be a subsidiary and became an associate of the Company on 11th June, 2007.

Following the dilution of interest in Trasy as former subsidiary of the Company, the Group's interest in Trasy was further reduced due to (i) the dilution effect of placing and subscription for a total of 1,215,000,000 ordinary shares of Trasy; and (ii) the disposal effect of Trasy's shares by the Group for considerations of approximately HK\$165,343,000 of which HK\$46,040,000 and HK\$119,303,000 were received as cash and margin account receivables, respectively. These transactions resulted in an aggregate gain on dilution of interests in Trasy of approximately HK\$62 million and a gain on disposal of approximately HK\$77 million. In addition, the Group donated 10,000,000 shares of Trasy to The Community Chest of Hong Kong, in which the value of such donated shares was approximately HK\$688,000.

After the series of transactions mentioned above, the Group did not have any shareholding interest in Trasy at 30th September, 2007.

The net assets of Hanny and Trasy at the respective dates of dilution of subsidiaries were set out in note 18.

8. TAXATION

7. 出售及攤薄附屬公司及聯營公司權益之虧損 (續)

期內，附屬公司及聯營公司股權之重大變動如下：

- (a) 二零零七年四月，錦興集團有限公司（「錦興」），本公司當時之附屬公司，根據配售及認購協議按每股3.40港元價格發行43,500,000股普通股，故本公司於錦興之權益由67.23%減至57.36%，因而產生攤薄虧損約為160,000,000港元。二零零七年五月，本集團按每股5.00港元價格出售錦興21,000,000股普通股，故本公司於錦興之權益減至50.27%，因而產生出售攤薄虧損約為81,000,000港元。出售事項後，又因若干錦興票據持有人兌換錦興可換股票據，使本公司於錦興之權益再減至約49.54%，導致攤薄收益約265,000港元，而錦興亦因而於二零零七年五月十八日不再為本公司之附屬公司而成為其聯營公司。
- (b) 二零零七年五月，本集團出售約6.45%於本公司當時之附屬公司卓施金網有限公司（「卓施」）之股本權益，故本公司於卓施之權益減至50.00004%，因而帶來出售收益約為24,000,000港元。二零零七年六月，由於卓施授出之購股權獲行使，本公司於卓施之權益再被攤薄至約49.998%，導致攤薄收益約11,000港元，而卓施亦因而於二零零七年六月十一日不再為本公司之附屬公司而成為其聯營公司。

攤薄本公司於前附屬公司卓施之權益後，本集團於卓施之權益因(i)配售及認購合共1,215,000,000股卓施普通股之攤薄影響；及(ii)本集團以代價約165,343,000港元出售卓施股份（其中46,040,000港元及119,303,000港元分別以現金及應收孖展賬戶款項形式收取）而進一步攤薄之影響。該等交易導致攤薄卓施權益之總收益約62,000,000港元及出售收益約77,000,000港元。另外，本集團捐贈10,000,000股卓施股份予香港公益金，而該捐贈股份之價值約為688,000港元。

經上述交易後，本集團於二零零七年九月三十日已不再持有卓施之任何股權權益。

錦興及卓施於各自攤薄附屬公司日期之資產淨額載列於附註18。

8. 稅項

Current tax:
Hong Kong Profits Tax
Deferred Tax

期內稅項：
香港利得稅
遞延稅項

Six months ended	
30.9.2007	30.9.2006
HK\$'000	HK\$'000
截至九月三十日止六個月	
二零零七年	二零零六年
千港元	千港元
10,726	-
(57)	-
<u>10,669</u>	<u>-</u>

8. TAXATION (continued)

Hong Kong Profits Tax is calculated at the rate of 17.5% of the estimated assessable profits of Hanny derived from Hong Kong for the current interim period.

No provision for taxation was made in prior period as the Group had no assessable profit for that period.

9. PROFIT FOR THE PERIOD**8. 稅項 (續)**

香港利得稅乃根據錦興本中期期間在香港所得之估計應課稅溢利按稅率17.5%計算。

由於本集團於期內並無應課稅溢利，故並無於往期作出稅項撥備。

9. 期內溢利

		Six months ended	
		30.9.2007	30.9.2006
		HK\$'000	HK\$'000
		截至九月三十日止六個月	截至九月三十日止六個月
		二零零七年	二零零六年
		千港元	千港元
Profit for the period has been arrived at after charging (crediting):	期內溢利已扣除 (計及) :		
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	6,783	2,604
Donation	捐款	688	-
Release of prepaid lease payments	轉撥預付租賃款項	1,107	1,107
Share of taxation of associates (included in share of results of associates)	攤佔聯營公司稅項 (列入在攤佔聯營公司業績)	124,993	(5,519)
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	(1,665)	(18)
Net realised gain on investments held for trading (Note)	持作買賣投資之已變現收益淨額 (附註)	(12,644)	(4,525)
Note:	附註 :		
Proceeds on sale of investments held for trading (included in revenue)	銷售持作買賣投資之所得款項 (列入收入)	(267,283)	(306,966)
Less: Cost of sales (included in cost of sales)	減：銷售成本 (列入銷售成本)	254,639	302,441
Net realised gain on investments held for trading	持作買賣投資之已變現收益淨額	(12,644)	(4,525)

10. DISTRIBUTIONS

Dividends recognised as distributions to equity holders of the Company:

10. 分派

已確認為向本公司股權持有人分派之股息：

		Six months ended	
		30.9.2007	30.9.2006
		HK\$'000	HK\$'000
		截至九月三十日止六個月	截至九月三十日止六個月
		二零零七年	二零零六年
		千港元	千港元
Final dividend declared for the year ended 31st March, 2007	截至二零零七年三月三十一日止年度宣派之末期股息		
- HK2.0 cents (2006: HK1.7 cents) per ordinary share	- 每股普通股2.0港仙 (二零零六年：1.7港仙)	43,480	31,237
Dividend declared on 21st December, 2007:	於二零零七年十二月二十一日宣派之股息：		
Interim dividend declared for the current period	本期宣派之中期股息		
- HK1.3 cents (2006: HK1.5 cents) per ordinary share	- 每股普通股1.3港仙 (二零零六年：1.5港仙)	34,563	27,954

10. DISTRIBUTIONS (continued)

The amount of the interim dividend declared for the six months ended 30th September, 2007, which will be payable in cash with an option to elect scrip dividend of ordinary shares, has been calculated by reference to the 2,658,718,149 issued ordinary shares outstanding as at the date of this report.

Subsequent to 30th September, 2007,

- (a) a dividend of HK2.0 cents per ordinary share was paid to the holders of ordinary shares of the Company as a final dividend for the year ended 31st March, 2007 of which approximately HK\$29,875,000 was settled in a form of 49,916,232 new ordinary shares of the Company; and
- (b) the Company issued 434,800,319 bonus shares to the holders of ordinary shares of the Company on the basis of one new ordinary share for every five ordinary shares held on 15th October, 2007.

11. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the equity holders of the Company is based on the following data:

10. 分派 (續)

截至二零零七年九月三十日止六個月宣派之中期股息將以現金方式及可選擇以普通股代息股份之方式派付，並已參考於本報告日期之2,658,718,149股已發行普通股計算。

於二零零七年九月三十日後，

- (a) 每股普通股2.0港仙之股息已支付予本公司普通股股東作為截至二零零七年三月三十一日止年度之末期股息，其中約29,875,000港元已以49,916,232股本公司新普通股之方式支付；及
- (b) 本公司向本公司普通股股東發行434,800,319股紅股，基準為於二零零七年十月十五日每持有五股普通股獲配一股新普通股。

11. 每股盈利

本公司股權持有人應佔之每股基本及攤薄盈利乃按以下資料計算：

		Six months ended	
		30.9.2007	30.9.2006
		HK\$'000	HK\$'000
		截至九月三十日止六個月	
		二零零七年	二零零六年
		千港元	千港元
Profit for the period attributable to equity holders of the Company and earnings for the purposes of basic earnings per share	本公司股權持有人應佔之期內溢利及計算每股基本盈利之盈利	303,318	195,753
Effect of dilutive potential ordinary shares:	具潛在攤薄效應普通股之影響：		
Adjustment to the share of results of associates and subsidiaries based on dilution of their earnings per share	攤佔聯營公司及附屬公司業績須按其攤薄後每股盈利作出調整	(36,404)	(11,703)
Adjustment of finance costs on redeemable convertible preference shares	可贖回可換股優先股之融資成本須作出調整	5,464	5,494
Earnings for the purposes of diluted earnings per share	計算每股攤薄盈利之盈利	272,378	189,544
		Number of shares	Number of shares
		股份數目	股份數目
Weighted average number of ordinary shares for the purposes of basic earnings per share	計算每股基本盈利之普通股加權平均數	2,432,864,465	2,204,994,174
Effect of dilutive potential ordinary shares:	具潛在攤薄效應普通股之影響：		
Redeemable convertible preference shares	可贖回可換股優先股	325,071,706	326,527,948
Weighted average number of ordinary shares for the purposes of diluted earnings per share	計算每股攤薄盈利之普通股加權平均數	2,757,936,171	2,531,522,122

The weighted average number of ordinary shares for the current and prior periods has been adjusted for the effect of bonus issue of new ordinary shares of the Company set out in note 10(b), on the basis of one new ordinary share for every five ordinary shares held.

如附註10(b)所述，本期及往期內之普通股加權平均數均已就以紅股方式發行本公司新普通股（基準為每持有五股普通股可獲配一股新普通股）之影響而作出調整。

12. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

During the period, the Group spent approximately HK\$741,000 (1.4.2006 to 30.9.2006: HK\$1,719,000) on property, plant and equipment.

As the directors of the Company considered that the carrying amounts of the Group's leasehold land and buildings and investment properties do not differ significantly from those which would be determined using fair values at 30th September, 2007, no revaluation surplus or deficit has been recognised in the current period.

12. 物業、廠房及設備及投資物業之變動

於本期間內，本集團動用約741,000港元(二零零六年四月一日至二零零六年九月三十日：1,719,000港元)購入物業、廠房及設備。

由於本公司董事認為本集團之租賃土地及樓宇及投資物業之賬面值與使用於二零零七年九月三十日之公平價值釐定者不會有重大分別，因此並無於本期間確認任何重估盈餘或虧絀。

13. INTERESTS IN ASSOCIATES**13. 聯營公司權益**

		(Unaudited) 30.9.2007 HK\$'000 (未經審核) 二零零七年 九月三十日 千港元	(Audited) 31.3.2007 HK\$'000 (經審核) 二零零七年 三月三十一日 千港元
Share of net assets of associates:	攤佔聯營公司淨資產：		
Listed in Hong Kong	於香港上市	2,369,439	997,900
Listed overseas	於海外上市	7,961	271,506
Unlisted	非上市	192	324,641
		<u>2,377,592</u>	<u>1,594,047</u>
Market value of listed securities:	上市股份之市值：		
Hong Kong	香港	1,808,144	1,477,663
Overseas	海外	224,648	362,788
		<u>2,032,792</u>	<u>1,840,451</u>

As detailed in note 7, the Company's interest in Hanny, a former subsidiary, was decreased to 49.54% due to the dilution on new issue and disposal of shares in Hanny during the period prior to May 2007. Hanny became an associate of the Group since 18th May, 2007. Subsequently, the Group increased the interest in Hanny to 49.99% through the acquisition of shares in market. Discount on acquisition of approximately HK\$10,450,000 arising from the acquisition of additional equity interest in Hanny have been included in the determination of the Group's share of results of associates.

如附註7所述，本公司於前附屬公司錦興之權益，因於二零零七年五月前期間新股發行及出售錦興股份之攤薄，減少至49.54%。錦興自二零零七年五月十八日起成為本集團之聯營公司。其後，本集團藉著在市場上收購股份增持於錦興之權益至49.99%。增購錦興股本權益所產生之收購折讓約為10,450,000港元已於釐定本集團攤佔聯營公司業績時包括在內。

14. DEBTORS, DEPOSITS AND PREPAYMENTS

Included in debtors, deposits and prepayments are trade debtors of approximately HK\$6,752,000 (31.3.2007: HK\$13,892,000) and their aged analysis at the balance sheet date is as follows:

14. 應收賬款、訂金及預付款項

應收賬款、訂金及預付款項中包括約6,752,000港元(二零零七年三月三十一日：13,892,000港元)之應收貿易賬款。應收貿易賬款於結算日之賬齡分析如下：

		(Unaudited) 30.9.2007 HK\$'000 (未經審核) 二零零七年 九月三十日 千港元	(Audited) 31.3.2007 HK\$'000 (經審核) 二零零七年 三月三十一日 千港元
Trade debtors	應收貿易賬款		
0-30 days	0-30日	6,630	7,018
31-60 days	31-60日	77	28
61-90 days	61-90日	41	1
Over 90 days	超過90日	4	6,845
		<u>6,752</u>	<u>13,892</u>

14. DEBTORS, DEPOSITS AND PREPAYMENTS (continued)

Trade debtors arising from property investment business are payable monthly in advance and the credit terms granted by the Group to other trade debtors normally range from 30 days to 90 days.

15. CREDITORS AND ACCRUED EXPENSES

Included in creditors and accrued expenses are trade payables of approximately HK\$926,000 (31.3.2007: HK\$18,396,000) and their aged analysis at the balance sheet date is as follows:

14. 應收賬款、訂金及預付款項 (續)

物業租賃業務之應收貿易賬款須按月預付，而本集團就其他應收貿易賬款授出之信貸期一般由30日至90日不等。

15. 應付賬款及應計開支

應付賬款及應計開支中包括約926,000港元(二零零七年三月三十一日：18,396,000港元)之應付貿易賬款。應付貿易賬款於結算日之賬齡分析如下：

		(Unaudited) 30.9.2007 HK\$'000 (未經審核) 二零零七年 九月三十日 千港元	(Audited) 31.3.2007 HK\$'000 (經審核) 二零零七年 三月三十一日 千港元
Trade creditors	應付貿易賬款		
0-30 days	0-30日	870	18,320
31-60 days	31-60日	26	47
61-90 days	61-90日	27	-
Over 90 days	超過90日	3	29
		<u>926</u>	<u>18,396</u>

16. SHARE CAPITAL**16. 股本**

		Number of shares 股份數目	Share capital HK\$'000 股本 千港元
Ordinary shares of HK\$0.10 each	每股面值0.10港元之普通股		
Authorised:	法定：		
At 1st April, 2007	於二零零七年四月一日	3,000,000,000	300,000
Increase during the period (Note a)	期內增加(附註a)	<u>7,000,000,000</u>	<u>700,000</u>
At 30th September, 2007	於二零零七年九月三十日	<u>10,000,000,000</u>	<u>1,000,000</u>
Issued and fully paid:	已發行及繳足：		
At 1st April, 2007	於二零零七年四月一日	1,872,982,368	187,298
Conversion of redeemable convertible preference shares (Note b)	轉換可贖回可換股優先股(附註b)	1,019,230	102
Placement of shares (Note c)	配售股份(附註c)	<u>300,000,000</u>	<u>30,000</u>
At 30th September, 2007	於二零零七年九月三十日	<u>2,174,001,598</u>	<u>217,400</u>

16. SHARE CAPITAL (continued)*Notes:*

- (a) On 19th September 2007, the authorised ordinary share capital of the Company was increased from HK\$300,000,000 to HK\$1,000,000,000 by the creation of 7,000,000,000 ordinary shares of HK\$0.10 each.
- (b) On 7th August, 2007, 1,019,230 ordinary shares of the Company of HK\$0.1 each were issued upon conversion of 1,000,000 redeemable convertible preference shares of HK\$0.1 each at the conversion price of HK\$1.04 per ordinary share.
- (c) On 29th June, 2007, 300,000,000 new ordinary shares were issued at HK\$0.74 per ordinary share pursuant to a placing and subscription agreement dated 16th June, 2007 entered into between the Company, Dr. Chan Kwok Keung, Charles and a placing agent.

17. SHARE-BASED PAYMENTS

Trasy has a share option scheme for its eligible participants. Details of the share options outstanding during the current period are as follows:

		Number of share options 購股權數目
Outstanding at the beginning of the period	於期初尚未行使	-
Granted during the period	期內授出	5,400,000
Exercised during the period	期內行使	(100,000)
Outstanding at the date ceased to be a subsidiary of the Company	不再為本公司附屬公司當日 尚未行使之購股權	(5,300,000)

The closing prices of Trasy's shares immediately before 1st June, 2007 and 6th June, 2007, the dates of grant of the options, were HK\$0.231 and HK\$0.163, respectively. The fair values of the options determined at the dates of grant using the binomial model were approximately HK\$159,000 and approximately HK\$25,000, respectively. An amount of share option expense of approximately HK\$69,000 has been recognised in the current period.

The following assumptions were used to calculate the fair values of share options:

Date of Grant	授出日期	1st June, 2007 二零零七年六月一日	6th June, 2007 二零零七年六月六日
Grant date share price	授出日期之股價	HK\$0.2190 港元	HK\$0.1890 港元
Exercise price	行使價	HK\$0.2194 港元	HK\$0.2014 港元
Expected life	預期有效期	3 years 年	3 years 年
Expected volatility	預期波幅	14.34%	14.34%
Dividend yield	股息率	Nil 無	Nil 無
Risk-free interest rate	無風險利率	4.355%	4.355%

The binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

16. 股本 (續)*附註：*

- (a) 於二零零七年九月十九日，藉增設每股面值0.10港元之7,000,000,000股普通股，本公司之法定普通股股本由300,000,000港元增加至1,000,000,000港元。
- (b) 於二零零七年八月七日，因1,000,000股每股面值0.1港元之可贖回可換股優先股按每股普通股1.04港元之轉換價轉換普通股，故本公司發行1,019,230股每股面值0.1港元之普通股。
- (c) 於二零零七年六月二十九日，根據本公司、陳國強博士及配售代理訂立日期為二零零七年六月十六日之配售及認購協議，300,000,000股新普通股按每股普通股0.74港元之價格予以發行。

17. 以股份支付款項之開支

卓施為其合資格參與者提供購股權計劃。本期間內尚未行使之購股權詳情如下：

卓施股份於緊接二零零七年六月一日及二零零七年六月六日購股權授出日期前之收市價分別為0.231港元及0.163港元。購股權於授出日期按二項式模式釐定之公平價值分別約為159,000港元及約為25,000港元。購股權開支約69,000港元已於本期間確認。

以下假設用以計算購股權之公平價值：

二項式模式用以估計購股權之公平價值。用以計算購股權公平價值之變數及假設乃按董事之最佳估計作計算。購股權之價值隨著若干主觀假設之變數不同而出現變動。

17. SHARE-BASED PAYMENTS (continued)

Share options granted thereunder are exercisable in stages during the option period in the following manner:

- (i) 1st one-third of share options granted become exercisable from the grant date;
- (ii) 2nd one-third of share options granted shall become exercisable one year after the grant date; and
- (iii) 3rd one-third of share options granted shall become exercisable two years after the grant date.

18. DILUTION OF INTERESTS IN SUBSIDIARIES

As detailed in note 7, the Company's interests in Hanny and Trasy were reduced to below 50% and they ceased to be the subsidiaries of the Company on 18th May, 2007 and 11th June, 2007, respectively. The net assets of Hanny and Trasy at the respective dates were as follows:

17. 以股份支付款項之開支 (續)

授出之購股權於購股權有效期內按以下方式分階段行使：

- (i) 首個三分之一之購股權自授出日期起可予行使；
- (ii) 第二個三分之一之購股權自授出日期起一年後可予行使；及
- (iii) 第三個三分之一之購股權自授出日期起兩年後可予行使。

18. 攤薄附屬公司權益

如附註7所述，本公司於錦興及卓施之權益減少至50%以下，兩間公司分別於二零零七年五月十八日及二零零七年六月十一日不再為本公司之附屬公司。錦興及卓施於各日期之資產淨額如下：

		Hanny HK\$'000 錦興 千港元	Trasy HK\$'000 卓施 千港元	Total HK\$'000 總計 千港元
NET ASSETS DISPOSED OF	出售資產淨額			
Total assets	總資產	5,406,113	59,172	5,465,285
Total liabilities	總負債	(1,865,351)	(9,696)	(1,875,047)
		3,540,762	49,476	3,590,238
Minority interests	少數股東權益	(2,095,962)	(24,704)	(2,120,666)
Conversion option reserve	換股權儲備	(55,099)	-	(55,099)
Share option reserve	購股權儲備	-	(67)	(67)
		1,389,701	24,705	1,414,406
Transfer to interests in associates	轉至聯營公司之權益	(1,388,988)	(24,716)	(1,413,704)
Release of capital reserve	資本儲備轉出	(106)	-	(106)
Release of translation reserve	匯兌儲備轉出	(352)	-	(352)
Release of investment revaluation reserve	投資重估儲備轉出	(617)	-	(617)
Release of other reserve	其他儲備轉出	97	-	97
Gain on dilution of interests in subsidiaries	攤薄附屬公司權益之收益	265	11	276
		-	-	-
Cash and cash equivalents disposed of	出售現金及現金等值項目	65,024	17,096	82,120

19. CONTINGENT LIABILITIES**19. 或然負債**

		(Unaudited) 30.9.2007 HK\$'000 (未經審核) 二零零七年 九月三十日 千港元	(Audited) 31.3.2007 HK\$'000 (經審核) 二零零七年 三月三十一日 千港元
Guarantees given to banks and financial institutions in respect of general facilities:	為以下人士借取一般融資而向銀行及財務機構作出之擔保：		
- granted to an associate	- 一間聯營公司	54,833	56,000
- granted to a third party	- 第三方	-	23,292
Financial support given to an associate	向一間聯營公司提供財務資助	7,640	8,790
		62,473	88,082

20. RELATED PARTIES TRANSACTIONS

During the period, the Group had transactions with the following related parties, details of which are as follows:

20. 關連人士交易

期內，本集團與以下有關連人士進行之交易詳情如下：

		Six months ended	
		30.9.2007	30.9.2006
		HK\$'000	HK\$'000
		截至九月三十日止六個月	
		二零零七年	二零零六年
		千港元	千港元
Associates of the Group:	本集團之聯營公司：		
Sales of building materials by the Group	本集團銷售建築材料	458	15
Dividend income earned by the Group	本集團收取股息收入	22,723	98,558
Rentals and related building management fee charged by the Group	本集團收取租金及相關物業管理費	1,089	219
Service fees charged by the Group	本集團收取服務費	516	577
Interest income earned by the Group	本集團收取利息收入	9,496	9,930
Interest charged to the Group	本集團支付利息	1,963	-
Other related companies (Note):	其他關連公司(附註)：		
Rentals and related building management fee charged by the Group	本集團收取租金及相關物業管理費	95	98
Interest income earned by the Group	本集團收取利息收入	17,565	6,309
Note:			
The Group and the above related companies have common directors who have significant influence in the above other related companies.		附註： 本集團與上述關連公司有共同董事，彼等於上述其他關連公司擁有重大影響力。	

21. POST BALANCE SHEET EVENTS

On 2nd November, 2007, the Company issued 5% convertible notes with an aggregate principal amount of HK\$200,000,000 which will mature on 2nd November, 2009 (the "Convertible Notes"), entitling the holders of the Convertible Notes to convert into ordinary shares of the Company at conversion price of HK\$0.63 per share as adjusted by the bonus issue in November 2007.

21. 結算日後事項

於二零零七年十一月二日，本公司發行本金總額200,000,000港元之5厘可換股票據（「可換股票據」），到期日為二零零九年十一月二日，經於二零零七年十一月之發行紅股調整後，可換股票據持有人可按每股0.63港元之換股價將可換股票據轉換為本公司之普通股。

德祥企業集團有限公司



ITC CORPORATION LIMITED



China
Enterprises